INVESTOR PRESENTATION

Q3 2013

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 2012 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 Q3 2013 MD&A, available at sedar.com.

Why Chartwell?

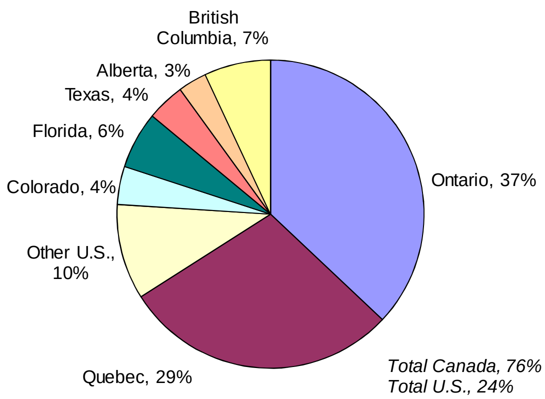
  

1. Unmatched national operating platform
2. Well-located and maintained real estate portfolio
3. Significant long-term growth potential
   - Demographic trends = more demand
   - Government fiscal constraints = more private pay demand
   - Fragmented industry = consolidation opportunities
4. Strong earnings growth potential
   - 1% growth in occupancy or rate = 3 cents growth in AFFO
5. Improving financial position and lower interest costs on refinancing = reduced portfolio risk

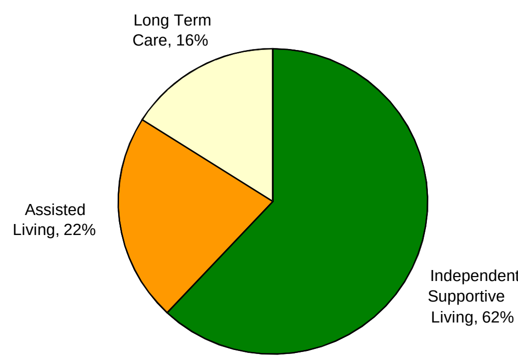
   

Profile

Geographically Diversified



Serving Full Continuum of Care



- Focus on growth in Canada
- Narrowing U.S. holdings to Florida, Texas and Colorado

# of Suites Owned, Leased and Managed	# of Trust Units (000s)	Market Cap ($ billions)	Revenue ($ millions)	Adjusted EBITDA ($ millions)
As at September 30, 2013			12 months ended September 30, 2013	
31,977	175,349 (1)	$1.8 (2)	$929.6	$260.1

(1) Includes Trust Units, Class B Units, Deferred Trust Units, Trust Units issued under LTIP
(2) September 30, 2013 closing price was $10.10

Building Sustainable Value

Strategic Priorities

Grow core property portfolio contribution

Maintain a strong financial position

Improve quality and efficiency of our corporate support services

Build value of our real estate portfolio

Building Sustainable Value

Grow core property portfolio contribution

Maintain and grow occupancy

- *Quality resident care and services*
  54% very satisfied residents in 2013, 52% in 2012
- *Branding*
  Making People's Lives Better
  Social marketing
- *Sales*
  Value Match
  Improved training programs
  Performance-based compensation
- *Knowing our customer*

Grow revenue

- *Occupancy*
- *Ancillary services program*
- *Rate management and suite turnover*

⬆ 2.4% in 2013 YTD*

Control costs

- *Centralized purchasing*
- *Labour relations*
- *Energy management*

⬆ 2.8% in 2013 YTD*

NOI ⬆ 1.7% in 2013 YTD*

** Same property for the nine months ended September 30, 2013 compared to the same period of 2012.*

Building Sustainable Value

Maintain a strong financial position

	2013	2012
Net debt to adjusted EBITDA ratio (1)	8.6	8.7
Interest coverage ratio (2)	2.27	2.16
Indebtedness ratio (3)	56.7%	57.9%
Weighted average interest rate (4)	5.10%	5.20%
Average term to maturity (4)	5.7 yrs	6.2 yrs

(1) Based on September 30, 2013 and 2012 Net Debt balances and Adjusted EBITDA for the 12-month period ended September 30, 2013 and 2012
(2) For the three-month period ended September 30, 2013 and 2012
(3) As at September 30, 2013 and December 31,2012, including convertible debentures
(4) Mortgage portfolio as at September 30, 2013 and 2012

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

Building Sustainable Value

Improve quality and efficiency of our corporate support services

Continuing investments in IT initiatives

2011 – Operating budgeting system
2012 – Consolidation and reporting system
2013 – Core financial system
2013 – Prospect management system
2013 – Standardized IT infrastructure rollout
2013 – Capital budget system
2014 – Procurement and payment system
2014 – Fixed assets reporting system
2015 – Care assessment and billing system
2015 – Human resource management system

Online presence strategy

Blog
Website
Social Media
Search Engine Optimization and Search Engine Marketing

Building Sustainable Value

Build value of our real estate portfolio

Acquired four newer residences (483 suites) in Quebec and British Columbia for $67.5 million

Completed redevelopment of two long term care residences (128 beds) in Ontario

Two development projects (226 suites) to be completed in 2013

Construction on two memory care projects (54 suites) commenced

Sourcing other development and acquisition opportunities

$145.0 million sale of our 50% interest in five U.S. properties closed in Q1 2013
$80.9 million sale of seven non-core U.S. properties closed October 1, 2013

Centralized management of commercial real estate generated over $0.5 million of annualized new revenue

Ongoing asset management programs in Canada and in the U.S.

Financial Performance

Q3 2013 Highlights

- AFFO increased by 3.7%
- Same property NOI up 0.2% with occupancy improving to 89.9%
- All balance sheet debt metrics continue to improve

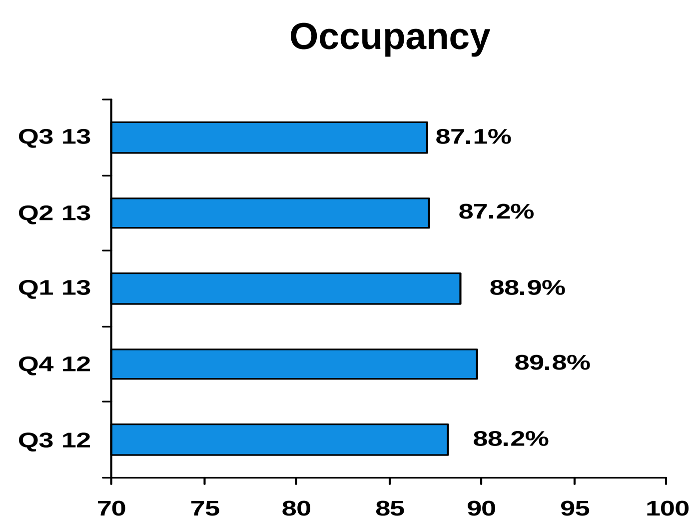
Key Performance Indicators	Q3 2013	Q3 2012	Increase/ (Decrease)
Average occupancy – same property	89.9%	89.2%	0.7pp
NOI – same property ($ millions)	$58.2	$58.1	$0.1
AFFO ($ millions)	$32.6	$31.4	$1.2
AFFO per unit diluted	$0.18	$0.18	-
Distributions declared as a percentage of AFFO	72.2%	74.1%	(1.9pp)

Financial Performance

Ontario retirement platform

	Q3 2013	Q3 2012	Increase/(Decrease) $	%
Same property statistics:				
NOI ($ millions)	$17.2	$17.8	($0.6)	(3.5%)
Occupancy	87.1%	88.2%	N/A	(1.1pp)

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

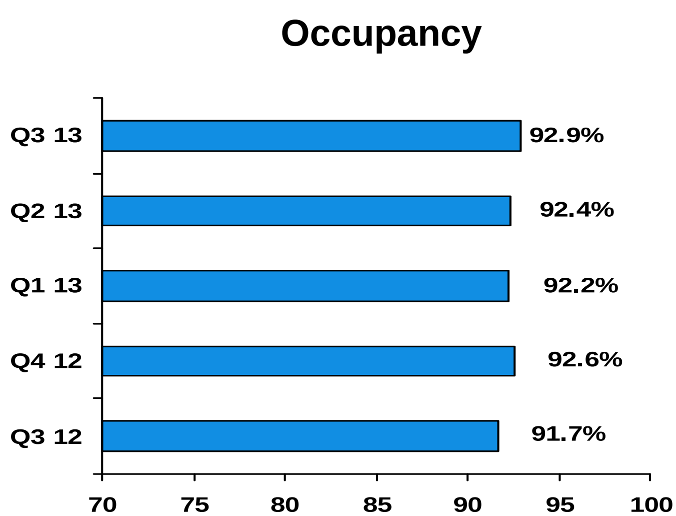


Financial Performance

Western Canada platform

	Q3 2013	Q3 2012	Increase/(Decrease) $	Increase/(Decrease) %
Same property statistics:				
NOI ($ millions)	$8.5	$7.8	$0.7	8.6%
Occupancy	92.9%	91.7%	N/A	1.2pp

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

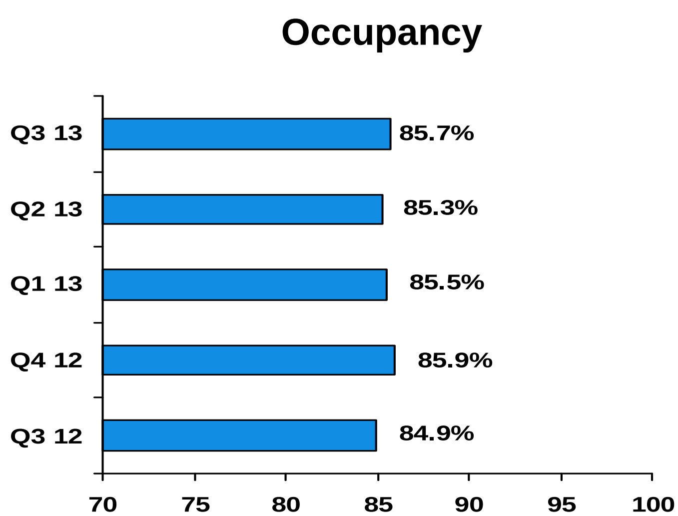


Financial Performance

Quebec platform

	Q3 2013	Q3 2012	Increase/(Decrease) $	%
Same property statistics:				
NOI ($ millions)	$8.1	$9.0	($0.9)	(10.3%)
Occupancy	85.7%	84.9%	N/A	0.8pp

- Higher cost of regulatory compliance
- $0.5 million retroactive revenue reduction at one LTC property
- Improving occupancy will underpin future NOI growth

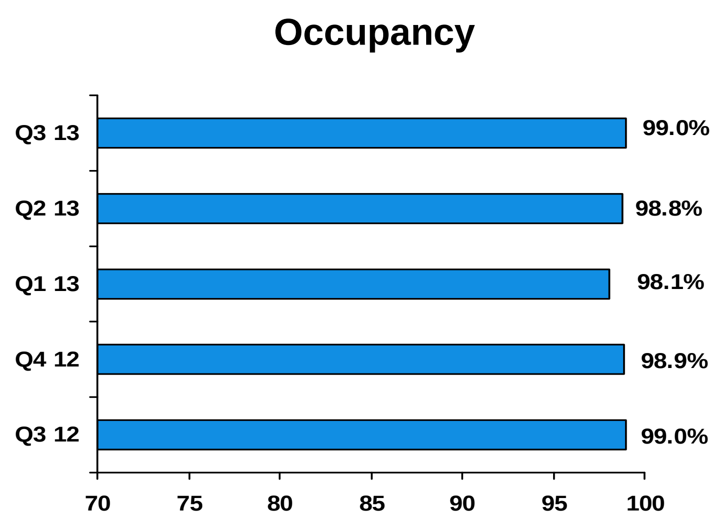


Financial Performance

Ontario LTC platform

	Q3 2013	Q3 2012	Increase/(Decrease) $	%
Same property statistics:				
NOI ($ millions)	$6.7	$6.6	$0.1	1.2%
Occupancy	99.0%	99.0%	N/A	-

- Increased funding and preferred accommodation rates
- High occupancy

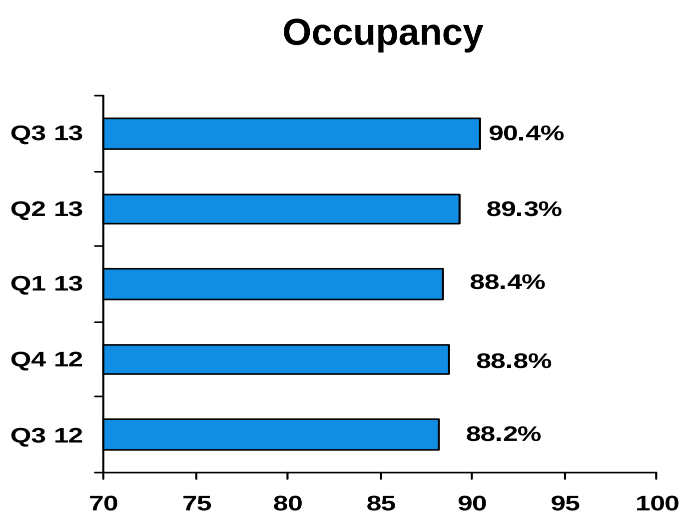


Financial Performance

U.S. platform

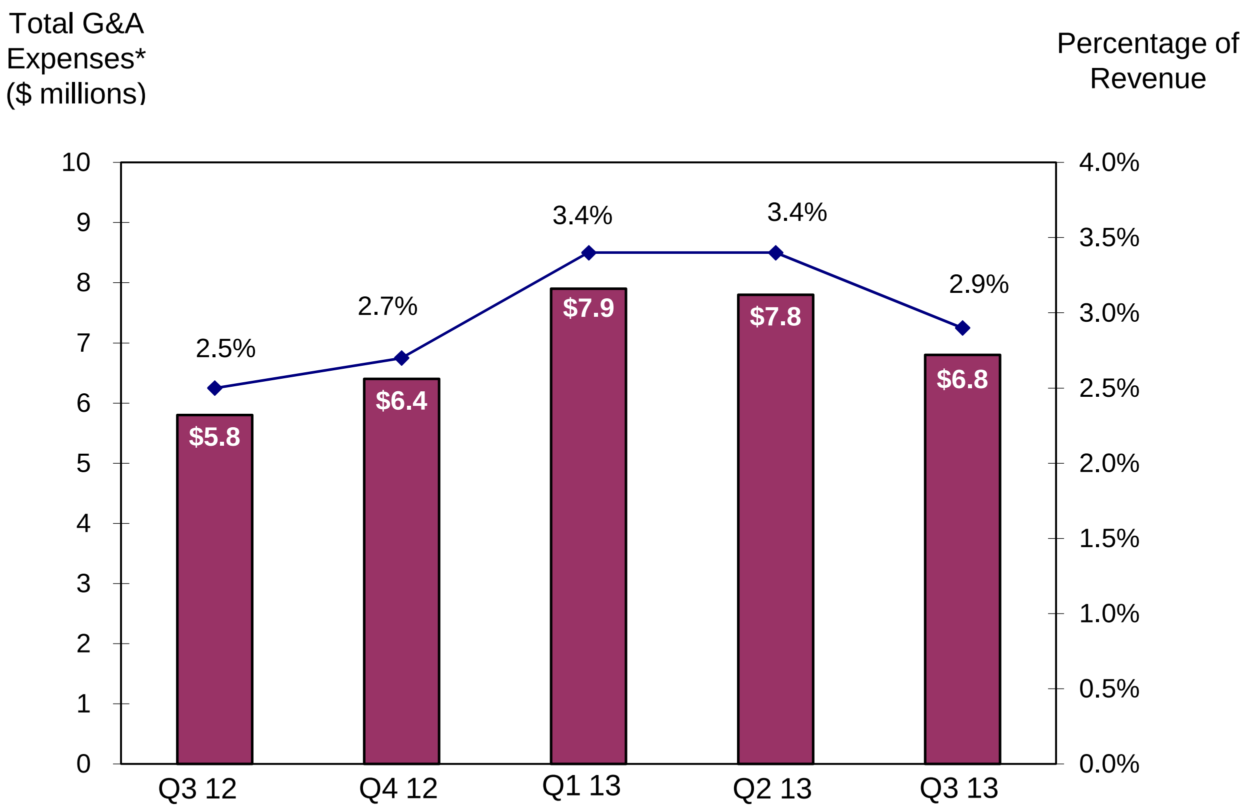
	Q3 2013	Q3 2012	Increase/(Decrease) $	%
Same property statistics:				
NOI ($ millions)	$17.7	$16.8	$0.9	5.4%
Occupancy	90.4%	88.2%	N/A	2.2pp

- Improving occupancy and ancillary revenue growth
- New supply still at low levels



Financial Performance

Managing G&A Expenses



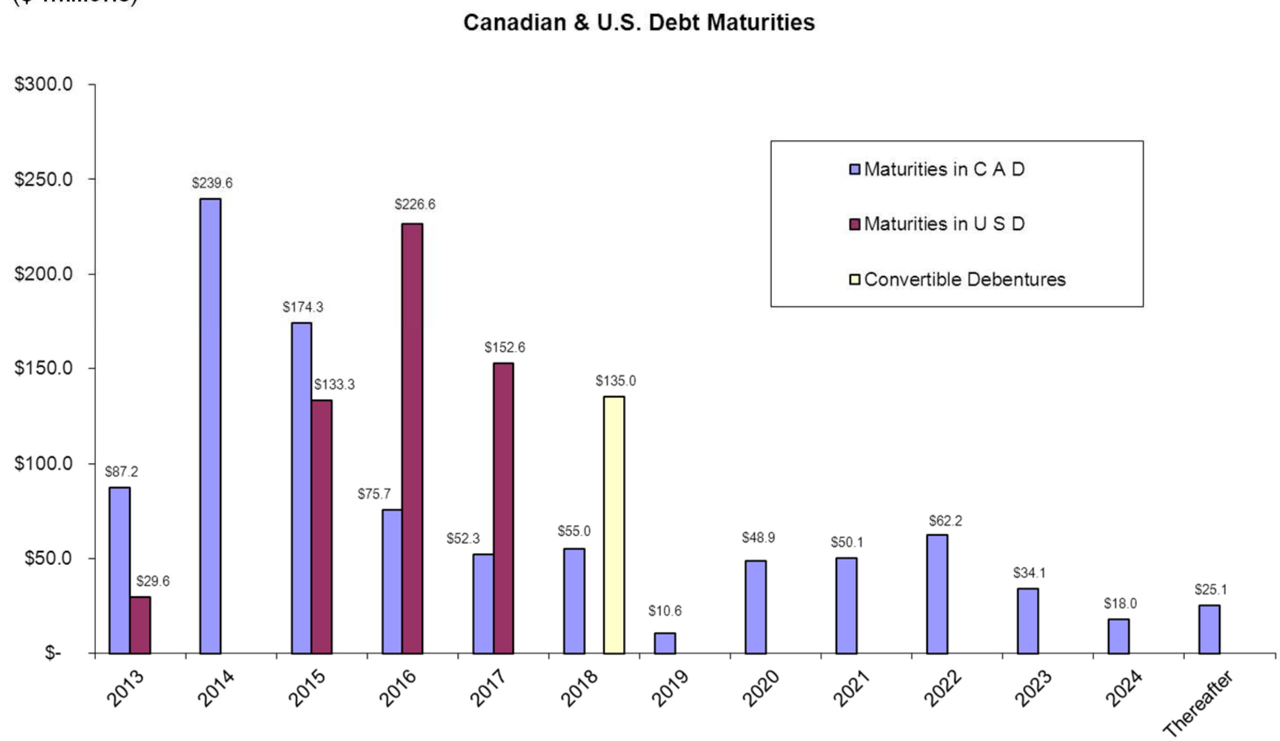
** Excludes severance costs*

- Costs incurred to support significant growth in assets under management more than offset by management fees

Financial Performance

Debt Maturities

($ millions)



	At September 30, 2013					At December 31, 2012
	Canadian Debt		U.S. Debt		Combined	Combined
	Fixed Rate	Variable Rate	Fixed Rate	Variable Rate		
Amount ($millions)	1,237.0	153.5	562.9	23.8	1,977.2	1,975.6
Weighted average rate	4.85%	4.42%	5.92%	2.57%	5.10%	5.23%
Average term to maturity (years)	7.8	1.0	2.7	0.2	5.7	6.0

- Early refinancing of some 2013 and 2014 maturities with long-term debt will generate interest savings and reduce refinancing risks

Outlook

Strategic Priorities

Growth in core property portfolio contribution

New brand rollout

Focus on occupancy, ancillary services and cost control

Broader assisted living options

Growth from lease-up properties

Maintaining a strong financial position

Prudent distributions policy

Reduce debt leverage over time

Improvements in quality and efficiency of our corporate support services

Lean Six Sigma specialists

Streamlining supply chain processes

Capital budgeting and procurement systems

IT infrastructure rollout

Website update

Building value of our real estate portfolio

Acquisitions pipeline

Two to three new development projects starts in 2014

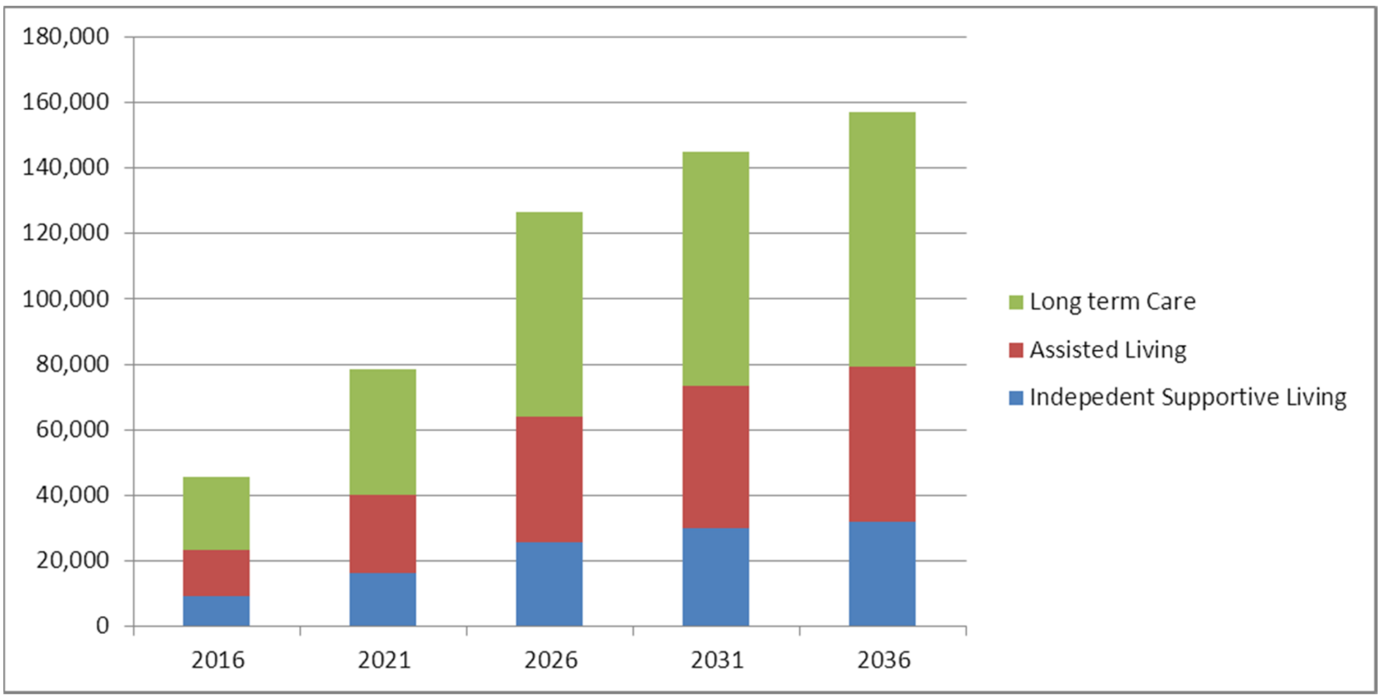
Divesting non-core assets

Ongoing asset management programs in Canada and the U.S.

Industry Fundamentals

Significant Future Demand in Canada

Total Number of Suites Required by 5-year Period



	2016	2021	2026	2031	2036
Independent Supportive Living	9,257	16,174	25,723	29,826	31,823
Assisted Living	13,961	23,862	38,084	43,526	47,329
Long term Care	22,246	38,342	62,552	71,639	77,972
Total Suites	**45,464**	**78,378**	**126,359**	**144,991**	**157,124**

Source: Care Planning Partners Inc.