



Chartwell Enters into Agreements to Transition Its Interests in Ontario Long Term Care Platform

MISSISSAUGA, ONTARIO – March 31, 2022 – Chartwell Retirement Residences (“Chartwell”) (TSX: CSH.UN) announced today that it entered into agreements to transition, subject to required approvals, its ownership of 16 Ontario Long Term Care (“OLTC”) homes with 2,418 beds to AgeCare Health Services Inc. (“AgeCare”) and Axiom Infrastructure Inc. and its affiliates (“Axiom”). Chartwell’s OLTC management platform, which serves in addition to these 16 homes, another 6 homes with 866 beds, will be transitioned to AgeCare. In addition, AgeCare and Axiom (collectively the “Purchasers”) will acquire, under a forward purchase agreement, another OLTC home with 224 beds, upon completion of its development in 2023. AgeCare will assume management of the existing 100 beds home currently in operations on that site.

The combined value of these transactions, before closing costs and customary adjustments, is \$446.5 million with net proceeds to Chartwell after property-specific debt, taxes and closing cost estimated at approximately \$277.0 million.

“Chartwell’s experienced and dedicated Ontario long term care team has a long and successful history of delivering quality care to our residents, as evidenced by quality indicators consistently exceeding provincial averages, and a culture of continuous improvements through innovative programs like ‘Imagine’,” said Vlad Volodarski, Chartwell’s Chief Executive Officer. “Substantial growth in our retirement portfolio over the years resulted in our Ontario long term care operations comprising less than 10% of our business. As we made the strategic decision to focus on our growing retirement business, it was critical for us to partner with strong and reputable organizations which hold similar values, to ensure a smooth transition for our residents and employees. I am confident that AgeCare and Axiom are exactly the right partners to continue the legacy of Chartwell’s Ontario long term care operations. I am glad that our long term care team will be joining AgeCare, an organization dedicated to the senior care sector since 1998. We are committed to working closely with AgeCare, Axiom, and all our stakeholders to ensure a smooth and successful transition.”

Transaction Details

The Purchasers will acquire 16 OLTC homes with 2,418 beds. (the “Acquired Homes”). AgeCare will assume management of the Acquired Homes as well as an additional six homes with 866 beds currently managed by Chartwell, including two homes with 258 beds which Chartwell will continue to own (the “Management Business” and collectively with the “Acquired Homes” – the “Acquired Business”). Refer to [Appendix A](#) at the end of this release.

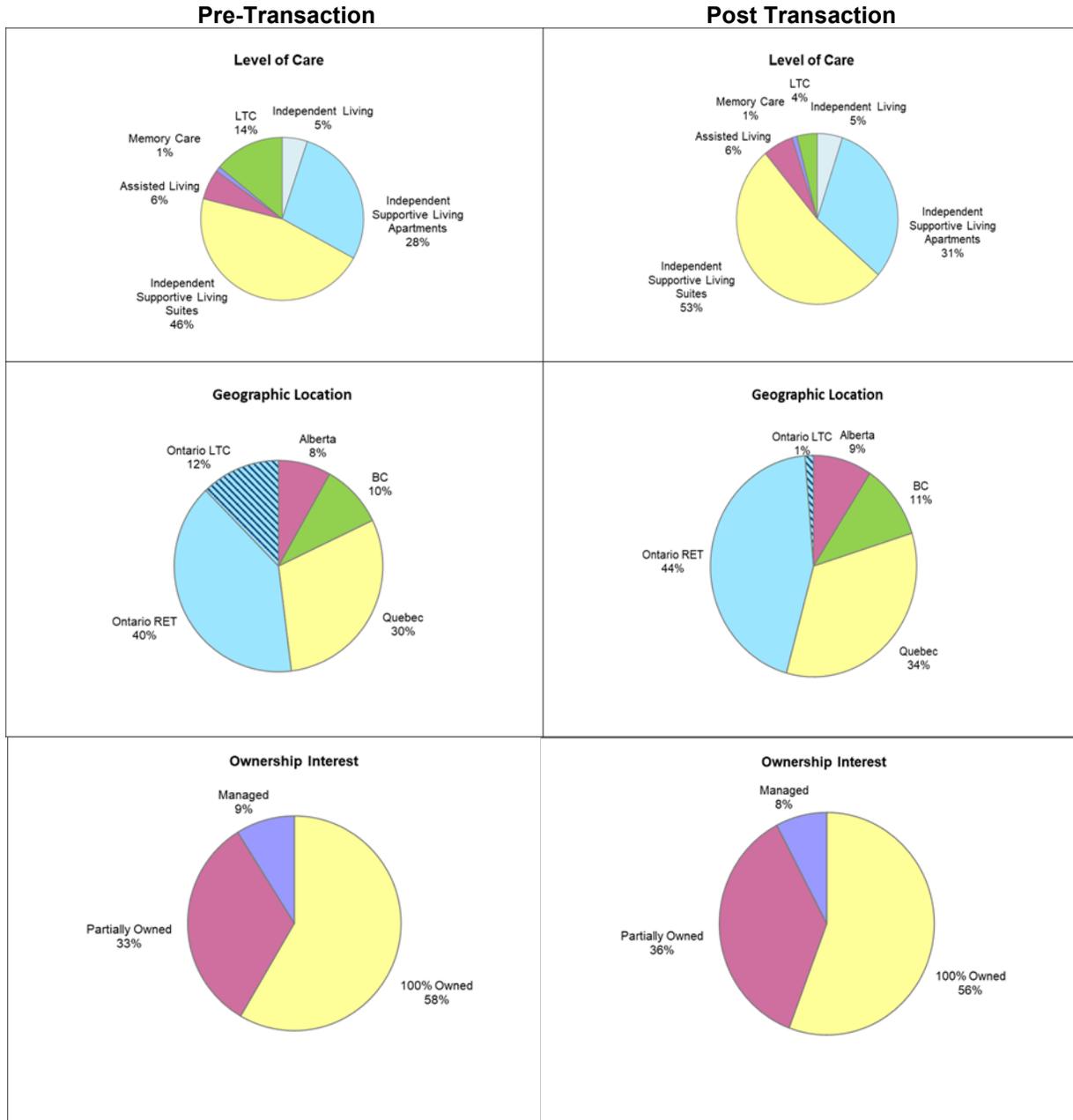
The purchase price for the Acquired Business before transaction costs and customary adjustments is \$382 million. The Purchasers will assume or repay the existing property-specific debt with an estimated balance on March 31, 2022, of \$149.1 million, bearing a weighted average interest rate of 5.63%.

The parties also entered into a forward purchase agreement for the 224-bed Ballycliffe LTC in Ajax, Ontario, currently under development. AgeCare will assume management of the existing 100 beds home currently in operations on that site. Under the terms of the forward purchase agreement, the Purchasers will acquire this home upon completion of its development, expected in Q3 2023 for \$64.5 million.

Chartwell expects, subject to market conditions, to use net proceeds from these transactions estimated at \$277.0 million to continue to grow its retirement business through acquisitions and development activities.

The transactions are subject to various government approvals which are expected to take up to 12 months.

Composition of Portfolio of Owned Suites at Chartwell's Share of Ownership Interest - Pre and Post Transaction:



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

About Axiom Infrastructure Inc.

Axiom Infrastructure (comprised of Axiom Infrastructure Inc. and its affiliated entities) is an independent portfolio management firm dedicated to generating long-term investment returns through investing in core infrastructure assets. Axiom Infrastructure had approximately C\$7.9 billion in assets under management as of September 30, 2021, as well as approximately C\$1.7 billion in co-investments. The firm benefits from the capabilities of a group of specialists with decades of experience acquiring, developing, financing, operating and managing infrastructure assets. Focus is placed on assets that are supported by robust market demand and under long-term contract with creditworthy counterparties. Since 2010, the firm has invested in a diversified portfolio of over 200 North American infrastructure assets.

About AgeCare

Founded in 1998 by two physicians, AgeCare is dedicated to providing seniors housing options based on a "living in place" philosophy. They are deeply committed to creating vibrant seniors communities that celebrate and support aging with dignity, independence and community interaction. AgeCare currently operates 22 seniors Long Term Care and Supported Living communities in Alberta and British Columbia, offering resident-centric high-quality care and services through their long-term care, supportive living, mental health, hospice, and adult day programs.

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 "COVID-19 Business Impacts and Related Risks" section, and the "Risks and Uncertainties and Forward-Looking Information" section in Chartwell's 2021 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.

For more information, please contact:

Chartwell Retirement Residences

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Appendix A – Acquired Business

Acquired Homes

#	Home Name	Location	Current Chartwell Owned / Managed	Current Ownership interest	Class A	Class B	Class C	Retirement Suites	Total Suites/Beds
1	Pine Grove Long Term Care	Woodbridge, ON	Owned	100%	96			11	107
2	Royal Oak Long Term Care	Kingsville, ON	Owned	100%	160				160
3	London Long Term Care	London, ON	Owned	100%	95				95
4	Parkhill Long Term Care	Parkhill, ON	Owned	100%	64				64
5	Aylmer Long Term Care	Aylmer, ON	Owned	100%	64				64
6	Trilogy Long Term Care	Scarborough, ON	Owned	100%	197				197
7	Brant Centre Long Term Care	Burlington, ON	Owned	100%	175				175
8	Waterford Long Term Care	Oakville, ON	Owned	100%	168				168
9	Wenleigh Centre Long Term Care	Mississauga, ON	Owned	100%	161				161
10	Westbury Centre Long Term Care	Etobicoke, ON	Owned	100%	187				187
11	Westmount Centre Long Term Care	Kitchener, ON	Owned	100%	160				160
12	Willowgrove Centre Long Term Care	Ancaster, ON	Owned	100%	169				169
13	Woodhaven Centre Long Term Care	Markham, ON	Owned	100%	192				192
14	Wynfield Centre Long Term Care	Oshawa, ON	Owned	100%	172				172
15	Elmira Long Term Care	Elmira, ON	Owned	100%			48	64	112
16	Aurora Long Term Care	Aurora, ON	Owned	100%	64		171		235
Sub total					2,124		219	75	2,418

Managed Homes

#	Home Name	Location	Current Chartwell Owned / Managed	Current Ownership interest	Class A	Class B	Class C	Retirement Suites	Total Suites/Beds
1	Gibson Long Term Care	North York, ON	Owned	100%			202		202
2	White Eagle Long Term Care	Toronto, ON	Owned	100%		56			56
3	Cawthra Gardens Long Term Care	Mississauga, ON	Managed	0%	192				192
4	Regina Gardens Long Term Care	Hamilton, ON	Managed	0%	128				128
5	Queens Gardens Long Term Care	Hamilton, ON	Managed	0%	128				128
6	Villa Forum Long Term Care	Mississauga, ON	Managed	0%	160				160
Sub total					608	56	202		866

Subject to Forward Purchase Agreement

#	Home Name	Location	Current Chartwell Owned / Managed	Current Ownership interest	Class A	Class B	Class C	Retirement Suites	Total Suites/Beds
1	Ballycliffe Long Term Care - development*	Ajax, ON	Owned	100%	224				224

Footnote:

* Current Ballycliffe home with 100 Class C Beds will remain operational and managed by AgeCare for the duration of development activity.