NEWS RELEASE

Chartwell Agrees to Acquire Two Residences in Quebec

2013-05-17

MISSISSAUGA, ONTARIO--(Marketwired - May 17, 2013) - Chartwell Retirement Residences ("Chartwell") (TSX:CSH.UN) announced today that it has agreed to acquire through a series of transactions, a 65-unit long term care residence and a 171-unit independent supportive living residence located at the Cite-Jardin complex in Gatineau, Quebec (the "Acquired Properties"). The Acquired Properties were constructed in 2007 and at the present time, the long term care residence has occupancy of 100% and the independent supportive living residence has occupancy of 78%. Upon completion of the transactions, expected in June 2013, Chartwell will own 100% interest in the Cite-Jardin complex of six towers comprising 863 units.

The purchase price for the Acquired Properties is $19.0 million and is expected to be fully financed by a two year loan from the chartered bank bearing interest at 4.5%.

"We are pleased to enter into the agreement to acquire these properties to consolidate our ownership of the Cite-Jardin complex," commented Brent Binions, Chartwell's President and CEO. "We believe this will allow us to fully realize synergies in sales, marketing and operations, and to provide a consistently high level of care and services to all residents."

About Chartwell

Chartwell is a real estate investment trust which indirectly owns and operates a complete range of residences from independent supportive living through assisted living to long term care. It is one of the largest participants in the seniors housing business in North America. Chartwell's aim is to capitalize on the strong demographic trends present in its markets to maximize the value of its existing portfolio of retirement residences, and prudently avail

itself of opportunities to grow internally and through accretive acquisitions.

Chartwell's Distribution Reinvestment Plan ("DRIP") allows unitholders to have their monthly cash distributions used to purchase units without incurring commission or brokerage fees, and receive bonus units equal to 3% of their monthly cash distributions. More information can be obtained at **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. 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 press release 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 the 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.

FOR FURTHER INFORMATION PLEASE CONTACT:
Chartwell Retirement ResidencesVlad Volodarski
Chief Financial Officer

(905) 501-4709
(905) 501-4710 (FAX)
vvolodarski@chartwellreit.cawww.chartwell.com

Source: Chartwell Retirement Residences