NEWS RELEASE

Chartwell Announces Acquisition of Retirement Residence in Vineland, Ontario

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MISSISSAUGA, ON --(Marketwired - January 10, 2017) - Chartwell Retirement Residences ("Chartwell") (TSX: CSH.UN) announced today that it has entered into a definitive agreement to acquire the 107-suite The Orchards Retirement Residence ("The Orchards") in Vineland, Ontario.

Built in 2000, expanded and fully renovated in 2014 The Orchards is a premier residence in the Niagara Region. Occupying 1.61 acres at 3421 Frederick Avenue, the residence is located within the large, adult lifestyle community of Cherry Hills, and is comprised of 67 independent supportive living, 26 assisted living, and 14 memory care suites. The Orchards is currently 90% occupied.

The aggregate purchase price of $22.0 million will be settled in cash, with closing expected in February 2017. Chartwell estimates that upon stabilization, this acquisition will generate an unlevered yield of 7.1%.

"We are pleased to add this well-located, quality residence to our portfolio," commented Vlad Volodarski, Chartwell's Chief Financial Officer and Chief Investment Officer. "We are looking forward to welcoming the residents and staff of The Orchards to the Chartwell family."

The residence will be rebranded as Chartwell Orchards Retirement Residence and will join Chartwell's existing family of over 185 retirement and long term care residences across Canada. Known for its commitment to customer service and operational excellence, Chartwell is home to over 25,000 residents across Canada and employs over 13,500 staff dedicated to Chartwell's vision of Making People's Lives Better.

About Chartwell Chartwell is an unincorporated, open-ended 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 owner and operator of seniors residences in Canada. Chartwell's aim is to capitalize on the strong demographic trends present in its markets to maximize the value of its existing portfolio of seniors housing communities, and prudently avail itself of opportunities to grow internally and through accretive acquisitions. 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. 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 2015 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 FURTHER INFORMATION PLEASE CONTACT:

For more information, please contact:
Chartwell Retirement Residences
Vlad Volodarski, Chief Financial Officer and
Chief Investment Officer
Tel: (905) 501-4709
Fax: (905) 501-9107
vvolodarski@chartwell.com

Source: Chartwell Retirement Residences