NEWS RELEASE

Chartwell Announces Acquisition of Three Ontario Properties

2017-05-11

MISSISSAUGA, ON --(Marketwired - May 11, 2017) - Chartwell Retirement Residences ("Chartwell") (TSX: CSH.UN) announced today that it has entered into a definitive agreement to acquire a portfolio of three retirement residences (522 suites) in Ontario for an aggregate purchase price of $121.0 million.

Lakeshore Place is a 161-suite retirement residence located in Burlington, offering lakeside living on the shores of Lake Ontario. The residence was built in 1997, has ample amenity offerings and is well-known for providing quality care in its market.

Stillwater Creek is a 200-suite retirement residence located in the heart of Bells Corners in Ottawa's west end. The property includes excess land for development of up to 32 additional suites. The residence was built in 2001 and is within close walking distance to a variety of restaurants, shops, banks and grocery stores.

Riverpark Place is a 161-suite retirement residence located in Nepean, west of Ottawa's inner core. The residence was built in 1995 and sits across from the Ottawa River and Andrew Hayden Park with numerous amenities close by including Bayshore Shopping Centre, Lincoln Fields and Carlingwood Mall.

The current occupancy for this portfolio is 82%.

Chartwell expects to achieve an un-levered yield of 7.5% upon completion of its planned capital investment and suite reconfiguration program and achievement of stabilized occupancy.

"We are pleased to add these well-built and well-located residences to our portfolio and to welcome their residents and staff to the Chartwell family," commented Vlad Volodarski, Chartwell's Chief Financial Officer and Chief Investment Officer. "These residences enjoy an excellent reputation for the quality of care and services they provide and we intend to continue to build on this reputation. With Chartwell's brand, operating expertise and planned capital investments, we intend to further improve services provided to current and future residents and increase occupancy over time."

The purchase price, subject to normal closing adjustments, will be settled in cash with closing expected in July 2017.

Upon closing of the transaction, the residences will be rebranded as Chartwell Lakeshore Retirement Residence, Chartwell Stillwater Creek Retirement Residence, and Chartwell Riverpark Retirement Residence, respectively, and will join Chartwell's existing family of over 190 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 2016 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.

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Source: Chartwell Retirement Residences