NEWS RELEASE

Chartwell Announces Acquisition of a Modern Retirement Residence in Midland, Ontario

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MISSISSAUGA, ON --(Marketwired - July 28, 2016) - Chartwell Retirement Residences ("Chartwell") (TSX: CSH.UN) announced today that it has entered into a definitive agreement to acquire the 121-suite Tiffin House Retirement Residence ("Tiffin House") in Midland, Ontario.

Built in 2014 and located at 105 Pillsbury Drive, Tiffin House is a premier residence in an attractive and affluent neighbourhood on the east side of Midland, within close proximity to the waterfront of Midland Bay. The residence provides a full continuum of care with 48 independent supportive living suites, 44 assisted living suites and 29 memory care suites, and includes excess land for development of up to 12 additional suites. Tiffin House is currently 55% occupied.

The aggregate purchase price of $31.5 million will be settled in cash, with closing expected in September 2016. Chartwell estimates that, upon stabilization, this acquisition will generate an unlevered yield of 7.6%.

"We are pleased to acquire this modern residence located in a strong and growing retirement market," commented Vlad Volodarski, Chartwell's Chief Financial Officer and Chief Investment Officer. "We are looking forward to welcoming the Tiffin House residents and staff to the Chartwell family."

Tiffin House joins 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 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:

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