NEWS RELEASE

Chartwell Announces Fourth Quarter & Year End 2013 Results

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MISSISSAUGA, ONTARIO--(Marketwired - March 5, 2014) - Chartwell Retirement Residences ("Chartwell") (TSX:CSH.UN) announced today results for the fourth quarter and for the year ended December 31, 2013.

2013 Highlights

- Same property net operating income ("NOI") grew by 1.9% in 2013 (3.2% in Q4).
- Same property occupancy grew to 89.6% in 2013 (89.8% in Q4).
- Successful mortgage refinancing program generates significant interest cost savings and extends loan maturities.

"We are pleased to report solid operating results in Q4 2013 along with same property NOI growth in 2013, despite significant regulatory and competitive pressures in some of our markets. We continue to make progress in our efforts to improve the quality and sophistication of our management platform most notably in the areas of operations, sales, marketing and information technology," commented Brent Binions, Chartwell's President and CEO. "Looking ahead, we are optimistic about 2014 as demand continues to improve and our transformative initiatives continue to enhance operating efficiencies and brand recognition, better positioning us to take full advantage of market opportunities."

Financial Highlights

	Three Months Ended December 31		Year Ended December 31	
	2013	2012	2013	2012
Adjusted funds from Operations ("AFFO") (000s) (1)(2)	$ 26,635	$ 30,104	$ 119,085	$ 111,554
AFFO per unit diluted (1)(3)	$ 0.15	$ 0.17	$ 0.68	$ 0.66
Funds from operations ("FFO") (000s) (1)(2)	$ 30,459	$ 33,421	$ 133,487	$ 124,157
FFO per unit diluted (1)(3)	$ 0.17	$ 0.19	$ 0.75	$ 0.73
Distributions declared (000s)	$ 23,586	$ 23,329	$ 93,964	$ 90,700
Distributions declared per unit	$ 0.14	$ 0.14	$ 0.54	$ 0.54
Distributions declared as a percentage of AFFO	88.6%	77.5%	78.9%	81.3%

(1) AFFO, AFFO per unit diluted, FFO and FFO per unit diluted are measures used by management in evaluating operating performance. Please refer to the cautionary statements under the heading "Non-IFRS Measures" in this press release.
(2) Excludes the reversal of provision for impairment of mezzanine loans and accounts receivable.
(3) Includes dilutive effect of convertible debentures.

AFFO in the fourth quarter of 2013 was $26.6 million ($0.15 per unit diluted) compared to $30.1 million ($0.17 per unit diluted) in the fourth quarter of 2012. For the year ended December 31, 2013, AFFO was $119.1 million ($0.68 per unit diluted) compared to $111.6 million ($0.66 per unit diluted) in the prior year. Incremental contribution from the property portfolio, due to acquisitions and same property NOI growth, was partially offset by the impact of non-core asset sales, lower management fees income and mezzanine loan interest income, higher general, administrative and trust ("G&A") expenses, and defeasance costs of $2.4 million in the fourth quarter of 2013 ($2.5 million for the year ended December 31, 2013) incurred as a result of our early mortgage refinancing program. Per unit amounts were impacted by the increases in the weighted average number of units outstanding and the dilutive effect of convertible debentures.

In the fourth quarter of 2013, FFO was $30.5 million ($0.17 per unit diluted) compared to $33.4 million ($0.19 per unit diluted) in the fourth quarter of 2012. For the year ended December 31, 2013, FFO increased to $133.5 million

($0.75 per unit diluted) from $124.2 million ($0.73 per unit diluted) in the prior year. In addition to the items discussed above, FFO has also been impacted by changes in the amortization of financing costs and the amortization of fair value adjustments on mortgages payable.

Operating Performance

	Three Months Ended December 31			Year Ended December 31		
	2013	2012	Increase/ (Decrease)	2013	2012	Increase/ (Decrease)
Same property occupancy (1)	89.8%	90.1%	(0.3pp)	89.6%	89.3%	0.3pp
Same property NOI (000s) (2)(3)	$ 56,014	$ 54,277	$ 1,737	$223,329	$ 219,137	$ 4,192
G&A expenses (000s)	$ 8,547	$ 7,190	$ 1,357	$ 31,016	$ 26,166	$ 4,850
G&A as a % of revenue (1)	3.6%	3.0%	0.6pp	3.3%	2.9%	0.4pp
Net income/ (loss) (000s)	$(14,257)	$(38,554)	$ 24,297	$ 23,884	$(139,342)	$ 163,226

(1) pp = percentage points
(2) NOI is a measure used by management in evaluating operating performance. Please refer to the cautionary statements under the heading "Non-IFRS Measures" in this press release.
(3) Excludes the effects of foreign exchange on U.S. dollar revenue.

Same property weighted average occupancy in the fourth quarter of 2013 was 89.8% compared to 90.1% in the same period of last year, as occupancy improvements in our U.S. and LTC segments were more than offset by a 0.9

percentage point decline in our Canadian retirement segment. For the year ended December 31, 2013, same property weighted average occupancy improved by 0.3 percentage points primarily due to strong growth in our U.S. segment.

Same property NOI improved by $1.7 million or 3.2% and $4.2 million or 1.9% for the three months and the year ended December 31, 2013, respectively, compared to the same periods of 2012. All operating segments delivered same property NOI growth in 2013 compared to prior year.

G&A expenses increased by $1.4 million and $4.9 million in the three months and the year ended December 31, 2013, respectively, compared to the same periods of 2012. The increases are primarily due to higher staffing costs to support a 49.2% growth in Canadian suites under management since 2011, as well as our increased investments in training, education, employee recognition and information technology, partially offset by other corporate expenses.

In addition to the items discussed above, the net loss for the three months and the year December 31, 2013 was impacted by higher depreciation and amortization charges resulting from acquisitions, a gain on the sale of non-core assets, impairment of property, plant and equipment, transaction and financing related costs, and changes in fair values of certain financial instruments.

Financial Position

At December 31, 2013, cash on hand, including our share of cash from joint ventures was $11.7 million and the unused borrowing capacity on Chartwell's credit facility was $62.1 million.

Interest Coverage Ratios for the three months and the year ended December 31, 2013 were 2.02 and 2.16, respectively, compared to Interest Coverage Ratios of 2.10 and 2.03 in the same periods of 2012. At December 31, 2013 the Indebtedness Ratio, was 53.1% (56.6% including convertible debentures), compared to 54.3% (57.9% including convertible debentures) at December 31, 2012. The average term to maturity of the mortgage portfolio was 6.7 years with a contractual weighted average interest rate of 5.02%.

Recent Developments

On January 2, 2014, Chartwell completed the acquisition of the remaining 66.7% interest in Robert Speck, a 113-unit retirement residence located in Mississauga, Ontario. The purchase price was $21.3 million, not including closing costs, and was settled through the assumption of mortgage debt of $15.2 million, with the balance paid using cash on hand.

On February 27, 2014, Chartwell entered into a definitive agreement to sell one property in Ontario for $24.5 million. Chartwell owns a 50% interest in this property. The closing is expected in Q3 2014.

Chartwell's financial statements, including its Management's Discussion and Analysis ("MD&A"), are available at **www.chartwell.com**. A detailed list of Chartwell's property portfolio can also be obtained under "Supplementary Information" in the "Investor Relations" section of the web site.

Investor Conference Call

A conference call hosted by Chartwell's senior management team will be held Thursday, March 6, 2014 at 10:00 AM ET. The telephone numbers for the conference call are: Local - (416) 340-2217 or Toll Free - (866) 696-5910. The conference call can also be heard over the Internet by accessing the Chartwell website at **www.chartwell.com**, clicking on "Investor Relations" and following the link at the top of the page. A slide presentation to accompany management's comments during the conference call will be available on the website. Please log on at least 15 minutes before the call commences.

The telephone numbers to listen to the call after it is completed (Instant Replay) are: Local - (905) 694-9451 or Toll Free - (800) 408-3053. The Passcode for the Instant Replay is 3963783#. The call, along with the accompanying slides, will also be archived on the Chartwell website at **www.chartwell.com**.

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 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 seniors housing communities, 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 Chartwell anticipates that subsequent events and developments may cause Chartwell's views to change, Chartwell does not intend to update this forward-looking information, except as required by applicable securities laws. This forward-looking information represents its views as of the date of this press release and such information should not be relied upon as representing Chartwell's views as of any date subsequent to the date of this document. Chartwell has attempted to identify important factors that could cause actual results, performance or achievements to vary from those current expectations or estimated 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 the "Risks and Uncertainties" section 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.

Non-IFRS Measures

FFO, AFFO, NOI, Interest Coverage Ratio and Indebtedness Ratio are not measures defined by International Financial Reporting Standards ("IFRS"). They are presented because management believes these non-IFRS measures are relevant and meaningful measures of Chartwell's performance. FFO, AFFO, NOI, Interest Coverage Ratio and Indebtedness Ratio as computed may differ from similar computations as reported by other issuers and may not be comparable to those reported by such issuers. Chartwell's 2013 MD&A contains a reconciliation of net loss to FFO and the calculation of AFFO for the three months and year ended December 31, 2013. Detailed descriptions of these terms are contained in Chartwell's 2013 MD&A, available at **www.sedar.com**.

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