NEWS RELEASE

Chartwell Announces Sale of Its U.S. Business

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MISSISSAUGA, ON -- (Marketwired) -- 03/17/15 -- Chartwell Retirement Residences (TSX: CSH.UN) ("Chartwell") announced today that a wholly-owned subsidiary of Chartwell has entered into a definitive agreement to sell 100% of its shares in CSH Master Care USA Inc. (the "U.S. Subsidiary"), through a series of transactions, to a newly-formed joint venture between HCP, Inc. ("HCP") and Brookdale Senior Living Inc. ("Brookdale") (collectively, the "Buyers").

The U.S. Subsidiary wholly owns Chartwell's entire U.S. portfolio, comprising 5,025 suites in 35 communities (the "U.S. Portfolio"). The U.S. Portfolio includes 91% independent supported living ("ISL"), 5% memory care and 4% skilled nursing facilities. Brookdale, the current manager of the U.S. Portfolio, will continue to manage the U.S. Portfolio after closing.

State	Number of Properties	Total Suites
Florida	13	1,752
Texas	9	1,061
Colorado	6	965
Ohio	3	441
Michigan	1	298
Virginia	1	205
Rhode Island	1	170
Tennessee	1	133
Total U.S. Portfolio	35	5,025
Total Excluding Leased Properties	33	4,792

DETAILS OF THE TRANSACTION

The gross sale price is US$849 million, representing a capitalization rate of approximately 6.6%. The Buyers have completed their due diligence and closing of the sale is anticipated in the third quarter of 2015, subject to receipt of regulatory approvals and other customary closing conditions.

The U.S. Portfolio is currently encumbered by mortgage debt in the approximate principal amount (as of June 30, 2015) of US$439 million, bearing interest at a weighted average rate of 5.85% per annum. The repayment of the mortgage debt, including estimated prepayment costs of US$24 million, will be netted against the purchase price. After accounting for estimated tax and certain closing adjustments, including transaction costs, Chartwell expects to receive net cash proceeds of approximately C$410 million at the current foreign exchange rate.

"We are pleased to have reached an agreement to sell our U.S. operations to HCP and Brookdale, with Brookdale continuing to manage the properties" commented Brent Binions, Chartwell's President and CEO. "We are confident that the residents in these homes will continue to enjoy the same high level of service and that this transaction will cause little to no disruption to the residents and care staff in the properties. This transaction allows us to fully concentrate our efforts on properties that we manage" Mr. Binions continued.

Chartwell believes that exiting the U.S. at this time allows it to capitalize on the currently strong U.S. seniors housing acquisition market. Chartwell also believes that the sale of its U.S. interests will bring a number of benefits to its unitholders, including:

i. Reduction of Operating Risk: Chartwell's overall operating risk is expected to be reduced by removing its reliance on third-party management, and exiting a platform that does not benefit from critical mass or economies of scale;
ii. A Focus on Core Markets: After the sale of the U.S. Portfolio, 100% of Chartwell's suites will be located in Canada, where Chartwell has significant competitive advantages and demographic trends provide significant growth opportunities;
iii. Elimination of FX Risk: Since Chartwell first entered the U.S. in 2005, the Canadian dollar has ranged from $0.77 to $1.10. At a current exchange rate of $0.78, now is an opportune time for Chartwell to exit the U.S. to maximize the proceeds in Canadian dollars; and
iv. Elimination of U.S. Refinancing Risk: 100% of the approximate US$439 million mortgage debt encumbering the U.S. Portfolio matures between now and May 1, 2017.

Mr. Binions added: "We are looking forward to the opportunities that Chartwell will have to invest the net proceeds from this transaction to accelerate our vision of Making Peoples' Lives Better in high-quality Canadian senior living communities. In the near term, we will use the net proceeds to repay any amounts then outstanding under our operating credit facility and repay approximately C$175 million of mortgages due to expire over the next year. This de-leveraging will give Chartwell very strong balance sheet capacity to fund our high-returning development

pipeline, which currently includes approximately C$275 million of near-term projects, and the potential for acquisition of high-quality seniors housing properties."

ADVISORS

RBC Capital Markets acted as exclusive financial advisor and Skadden, Arps, Slate, Meagher & Flom LLP acted as legal advisors to Chartwell.

ABOUT CHARTWELL

Chartwell is an unincorporated, open-ended trust which indirectly owns and manages a portfolio of seniors housing communities across the complete continuum of care. It is the largest participant in the seniors housing business 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 retirement residences, and prudently avail itself of opportunities to grow internally and through accretive acquisitions.

More information can be obtained at **www.chartwell.com**.

ABOUT HCP, INC.

HCP, Inc. is a fully integrated real estate investment trust (REIT) that invests primarily in real estate serving the healthcare industry in the United States. The company's portfolio of assets is diversified among five distinct sectors: senior housing, post-acute/skilled nursing, life science, medical office and hospital. A publicly traded company since 1985, HCP: (i) was the first healthcare REIT selected to the S&P 500 index; (ii) has increased its dividend per share for 30 consecutive years; (iii) is the only REIT included in the S&P 500 Dividend Aristocrats index; and (iv) is a global leader in sustainability as a member of the CDP, Dow Jones and FTSE4Good sustainability leadership indices, as well as the GRESB Global Healthcare Sector Leader. For more information regarding HCP, visit the company's website at **www.hcpi.com**.

ABOUT BROOKDALE

Brookdale Senior Living Inc. is the leading operator of senior living communities throughout the United States. The company is committed to providing senior living solutions primarily within properties that are designed, purpose-built and operated to provide the highest-quality service, care and living accommodations for residents. Currently, Brookdale operates independent living, assisted living, and dementia-care communities and continuing care retirement centers, with approximately 1,150 communities in 46 states and the ability to serve approximately 111,000 residents. Through its ancillary services program, the company also offers a range of outpatient therapy,

home health, personalized living and hospice services.

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. The proposed acquisition is subject to various regulatory approvals and the fulfillment of certain conditions, and there can be no assurance that any such approvals will be obtained and/or any such conditions will be met. The proposed acquisition could be modified, restructured or terminated.

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.

NON-GAAP MEASURES

Chartwell's consolidated financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS"). Management uses certain financial measures to assess Chartwell's financial performance, which are measures not defined in generally accepted accounting principles ("GAAP") under IFRS. The following measures,

FFO, FFO per unit diluted, AFFO, AFFO per unit diluted, NOI, Same Property NOI, G&A as a percentage of Revenue, Interest Coverage Ratio, Indebtedness Ratio, Adjusted EBITDA, Net Debt to Adjusted EBITDA Ratio and Distributions declared as a percentage of AFFO, as well as other measures discussed elsewhere in this release, do not have a standardized definition prescribed by IFRS. They are presented because management believes these non-GAAP measures are relevant and meaningful measures of Chartwell's performance and as computed may differ from similar computations as reported by other issuers and may not be comparable to similarly titled measures reported by such issuers. For a full definition of these measures, please refer to the "Non-GAAP Measures" section of the 2014 MD&A available at **sedar.com**.

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