NEWS RELEASE

Chartwell Announces Second Quarter 2017 Results

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MISSISSAUGA, ON --(Marketwired - August 10, 2017) - Chartwell Retirement Residences ("Chartwell") (TSX: CSH.UN) announced today its results for the three and six months ended June 30, 2017.

Q2 2017 Highlights

-- Same property net operating income ("NOI") up $0.7 million or 1.1%
-- Same property occupancy 92.5%
-- Development program on track to deliver important portfolio growth

"Our team delivered solid operating results in the second quarter of 2017, despite some competitive pressures and the impact of timing of certain expenses. So far in 2017, we completed a number of important developments, acquisitions and financings, including our inaugural unsecured debenture offering," commented Brent Binions, President and CEO. "I am confident that these transactions will contribute to Chartwell's future growth and continuing creation of long-term sustainable value for our investors."

Financial Highlights

	Three Months Ended June 30	Six Months Ended June 31
($000s, except per unit amounts		

and number of units)	2017	2016	2017	2016
Net income/(loss) from continuing operations	$ 6,309	$ 3,589	$ 2,142	$ (15,961)
Total comprehensive income/(loss)	$ 6,309	$ 7,185	$ 2,142	$ (12,687)
FFO (1)	$ 41,856	$ 42,304	$ 83,962	$ 82,648
FFO per unit diluted (1)(2)	$ 0.21	$ 0.22	$ 0.43	$ 0.44
Distributions declared	$ 28,028	$ 26,684	$ 55,549	$ 51,702
Distributions declared per unit	$ 0.14	$ 0.14	$ 0.29	$ 0.28
Weighted average number of units outstanding, diluted (000s)	194,809	193,265	194,599	193,082

(1) FFO, FFO per unit diluted are measures used by management in evaluating operating performance. Please refer to the cautionary statements under the "Non-GAAP Measures" heading in this press release.
(2) Includes dilutive effect of convertible debentures.

For the second quarter of 2017, net income from continuing operations was $6.3 million compared to $3.6 million in the same period of 2016. For the six-month period ended June 30, 2017, net income from continuing operations was $2.1 million compared to net loss of $16.0 million in the same period of 2016. Total comprehensive income in the second quarter of 2017 was $6.3 million compared to $7.2 million in the same period of 2016. For the six-month period ended June 30, 2017, total comprehensive income was $2.1 million compared to total comprehensive loss of $12.7 million in the same period of 2016. The changes in net income from continuing operations was primarily a result of higher revenues and positive changes in fair values of financial instruments and lower transaction costs, partially offset by higher direct property operating and general, administrative and Trust ("G&A") expenses and lower other income. The changes in total comprehensive income were also impacted by tax recoveries related to our sale of the U.S. operations.

FFO in the second quarter of 2017 was $41.9 million ($0.21 per unit diluted) compared to $42.3 million ($0.22 per unit dilut

Operating Performance

($000s, except occupancy rates and percentage of revenue)	Three Months Ended June 30			Six Months Ended June 30		
	2017	2016	Change	2017	2016	Change
Same property occupancy (1)	92.5%	93.2%	(0.7pp)	92.8%	93.3%	(0.5pp)
Same property NOI (2)	$63,289	$62,598	$ 691	$126,461	$123,603	$ 2,858
G&A expenses	$10,121	$ 9,126	$ 995	$ 20,526	$ 17,347	$ 3,179
G&A expenses as a percentage of revenue (1) (2)	4.7%	4.3%	0.4pp	4.8%	4.2%	0.6pp

(1) pp = percentage points
(2) NOI and G&A expenses as a percentage of revenue are measures used by management in evaluating operating performance. Please refer to the cautionary statements under the "Non-GAAP Measures" heading in this press release.

Same property occupancy in the second quarter of 2017 declined by 0.7 percentage points compared to the second quarter of 2016, primarily due to higher-than-normal resident turnover in the winter months of 2017 and short-term competitive pressures from new developments in some Ontario and Quebec markets.

Same property NOI increased by $0.7 million or 1.1% in the second quarter of 2017, and by $2.9 million or 2.3% in the six-month period ended June 30, 2017, compared to the same periods of 2016, driven primarily by rental rate increases in line with competitive market conditions, partially offset by lower occupancies, lower ancillary revenues, inflationary staffing cost increases and timing of certain other expenses, including higher lease-up-losses related to

our properties in development which reduced same property NOI by $0.6 million and $2.0 million in the three and six months ended June 30, 2017, respectively.

G&A expenses increased by $1.0 million in the second quarter of 2017 and by $3.2 million in the six-month period ended June 30, 2017, compared to the same periods of 2016, primarily due to higher staffing costs. These investments were primarily required to support Chartwell's growing development activities including management of projects owned by Batimo Inc. ("Batimo"), as well as properties acquired in 2015, 2016 and in the six-month period ended June 30, 2017. In addition, the increase in the six-month period ended June 30, 2017 was partly driven by higher severance and recruitment costs as well as the reversal of an accrual of certain employee benefit costs on settlement of a related claim in the first quarter of 2016.

Financial Position

At June 30, 2017, liquidity amounted to $107.3 million, which included $39.2 million of cash and cash equivalents, $6.0 million of cash of equity accounted investments and $62.1 million of available borrowing capacity on our credit facilities.

The Interest Coverage Ratio on the rolling 12-month basis was 3.36 at June 30, 2017 compared to 3.66 at December 31, 2016. The Net Debt to Adjusted EBITDA ratio at June 30, 2017 was 7.9 compared to 7.3 at June 30, 2016.

Recent Developments

On July 4, 2017, Chartwell acquired a 100% interest in a portfolio of three retirement residences in Ontario totalling 522 suites (rebranded as 'Chartwell Lakeshore Retirement Residence,' 'Chartwell Stillwater Creek Retirement Residence,' and 'Chartwell Riverpark Retirement Residence' post acquisition). The purchase price before closing costs was $121.0 million and was settled in cash.

On July 20, 2017, Chartwell acquired an 85% interest in Chartwell Le Teasdale I in Terrebonne, Quebec from Batimo for a purchase price of $60.8 million. Batimo retained the remaining 15% interest in the project. The purchase price was settled by the assumption of a $37.1 million construction loan, settlement of Chartwell's mezzanine loan of $5.9 million and the remaining balance settled in cash.

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 Friday, August 11, 2017 at 10:00 AM ET. The telephone numbers for the conference call are: Local: (416) 340-2217 or Toll Free: (866) 696-5910. The passcode for the conference call is: 8333334#. 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 9527013#. 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 supported 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 retirement residences, 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", "scheduled", "estimates", "intends", "anticipates", "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 and other 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 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. 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, NOI, Same Property NOI, G&A as a Percentage of Revenue, Liquidity, Interest Coverage Ratio, and Net Debt to Adjusted EBITDA Ratio, 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 "Liquidity and Capital Resources" and the "Non-GAAP Measures" sections of the Q2 2017 MD&A available at **sedar.com**.

FOR FURTHER INFORMATION PLEASE CONTACT:

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