NEWS RELEASE

Chartwell Announces Third Quarter 2013 Results

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MISSISSAUGA, ONTARIO--(Marketwired - Nov. 14, 2013) - Chartwell Retirement Residences ("Chartwell") (TSX:CSH.UN) announced today results for the three and nine months ended September 30, 2013.

Q3 2013 Highlights

- Adjusted funds from operations ("AFFO") up 3.7% with growing property portfolio contribution and interest savings
- Same property occupancy improved to 89.9% with the U.S. platform occupancy up 2.2 percentage points
- All balance sheet debt metrics continued to improve with early mortgage refinancing program generating interest savings and mitigating refinancing risks

"While competitive and regulatory pressures, and higher resident turnover have continued to affect our results in Ontario and Quebec, the strong growth in Western Canada and in the United States has contributed to the overall positive financial results of our portfolio in the third quarter of 2013," commented Brent Binions, Chartwell's President and CEO. "Looking forward, with our continuing investments in sales and marketing initiatives, stabilizing competitive situation in many of our markets and robust fall leasing activity, we expect to see continued improvement in our financial results in the fourth quarter of 2013 and beyond."

Financial Highlights

	Three Months Ended September 30		Nine Months Ended September 30	
	2013	2012	2013	2012
AFFO (1) ($000s)	$ 32,569	$ 31,409	$ 92,448	$ 81,452
AFFO per unit diluted (1)	$ 0.18	$ 0.18	$ 0.53	$ 0.49
Funds from operations ("FFO") (1) ($000s)	36,577	35,432	103,026	90,736
FFO per unit diluted (1)	$ 0.21	$ 0.20	$ 0.58	$ 0.54
Distributions declared ($000s)	$ 23,516	$ 23,266	$ 70,378	$ 67,371
Distributions declared per unit	$ 0.14	$ 0.14	$ 0.41	$ 0.41
Distributions declared as a percentage of AFFO	72.2%	74.1%	76.1%	82.7%
Weighted average number of units outstanding, diluted (000s)	187,255	185,340	186,841	175,542

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.

AFFO in the third quarter of 2013 was $32.6 million ($0.18 per unit diluted) compared to $31.4 million ($0.18 per unit diluted) in the third quarter of 2012, representing an increase of 3.7%. For the nine-month period ended September 30, 2013, AFFO was $92.4 million ($0.53 per unit diluted) compared to $81.5 million ($0.49 per unit diluted) in the same period of 2012, an increase of 13.5%. Incremental contribution from the property portfolio due to acquisitions and same property net operating income ("NOI") growth, new management fees from the Maestro portfolio acquired in 2012 and lower finance costs, were partially offset by higher general and administrative ("G&A") expenses incurred to support the significant growth in the property portfolio. Per unit amounts were impacted by the increases in the weighted average number of units outstanding compared to the prior year.

In the third quarter of 2013, FFO increased to $36.6 million ($0.21 per unit diluted) from $35.4 million ($0.20 per unit diluted) in the third quarter of 2012. For the nine-month period ended September 30, 2013, FFO increased to $103.0 million ($0.58 per unit diluted) from $90.7 million ($0.54 per unit diluted) in the same period of 2012. In addition to the items discussed above, FFO has also been impacted by changes in the amortization of financing

costs and debt mark-to-market adjustments.

Operating Performance

	Three Months Ended September 30			Nine Months Ended September 30		
	2013	2012	Increase/ (Decrease)	2013	2012	Increase/ (Decrease)
Same property occupancy (1)	89.9%	89.2%	0.7pp	89.6%	89.0%	0.6pp
Same property NOI (2) (3) ($000s)	$58,253$	58,133$	120$	172,455$	169,654$	2,801
G&A expenses ($000s)	$ 6,800$	5,847$	953$	22,469$	18,976$	3,493
G&A expenses as a percentage of revenue (1) (2)	2.9%	2.5%	0.4pp	3.2%	2.9%	0.3pp
Net income/(loss) ($000s)	$(2,781)$	(18,538)$	15,757$	38,141$	(100,788)$	138,929

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 heading "Non-IFRS Measures" in this press release.
3. Excludes the effects of foreign exchange on the U.S. dollar.

Same property weighted average occupancy in the three and nine months ended September 30, 2013, improved by 0.7 and 0.6 percentage points, respectively, compared to the same periods of 2012, primarily due to strong occupancy growth in the United States, Western Canada and Quebec.

Same property NOI improved by $0.1 million or 0.2% and by $2.8 million or 1.7% for the three and nine months ended September 30, 2013, respectively, compared to the same periods of 2012. The strong NOI growth in the United States and Western Canada, and the stable performance of our long term care portfolio were partially offset by lower NOI in Ontario and Quebec.

G&A expenses increased by $1.0 million and by $3.5 million in the three and nine months ended September 30, 2013, respectively, compared to the same periods of 2012. The increases are primarily due to higher staffing costs to support the significant growth in the portfolio under management and higher investments in employee development and information systems.

In addition to the items discussed above, the net income for the three and nine months ended September 30, 2013 was impacted by depreciation of properties and amortization of limited life intangibles, changes in fair value of financial instruments and unrealized foreign exchange, transaction costs arising on business acquisitions and dispositions and changes in deferred income taxes. In addition, net income in the nine-month period ending September 30, 2013 increased due to a $48.9 million gain on the sale of the Bristal portfolio in the United States.

Financial Position

At September 30, 2013, cash on hand, including Chartwell's share of amounts from joint ventures, amounted to $6.6 million and the unused borrowing capacity on the Credit Facility was $45.3 million.

At September 30, 2013, the Indebtedness Ratio, excluding assets held for sale and related debt, was 53.1% (56.7% including convertible debentures), compared to 54.3% (57.9% including convertible debentures) at December 31, 2012. The Interest Coverage Ratio for the three and nine months ended September 30, 2013 was 2.27 and 2.20, respectively, compared to 2.16 and 2.01 in the same periods of 2012. The Net Debt to Adjusted EBITDA ratio at September 30, 2013 was 8.6 compared to 8.7 at September 30, 2012. The contractual weighted average interest rate of Chartwell's mortgage portfolio declined to 5.10% at September 30, 2013 from 5.23% at December 31, 2012.

Recent Developments

In August 2013, Chartwell completed the acquisition of a 109-unit retirement residence located in Kamloops, British Columbia. The purchase price was $21.5 million, not including closing costs, and was financed through a five-year mortgage loan of $11.8 million, bearing interest at 3.65% with the balance paid in cash.

On October 25, 2013, Chartwell completed the acquisition of a 138-unit retirement residence located in Mission, British Columbia. The purchase price was $27.0 million, not including closing costs, and was financed through a five-year mortgage loan of $15.3 million, bearing interest at 4.35% with the balance paid in cash.

During Q2 2013, Chartwell entered into an agreement to sell seven non-core communities (comprising 613 suites), located in the U.S. The sale price was U.S.$80.9 million and was partially settled by the assumption of debt with the balance, net of working capital adjustments and holdbacks, received in cash. This transaction closed on October 1, 2013.

Subsequent to September 30, 2013, Chartwell refinanced $142.5 million of 2013 and 2014 maturing mortgages bearing a weighted average interest rate of 4.36%, with new mortgages bearing a weighted average interest rate of 3.86% and a weighted average term to maturity of 13 years. Defeasance costs of approximately $2.2 million were incurred as a result of these early debt repayments.

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, November 15, 2013 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: 8727097#. 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 a real estate investment trust which indirectly owns and operates a complete range of residences 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 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", "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 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-IFRS 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 and Net Debt to Adjusted EBITDA 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 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. Chartwell monitors its operations on a line-by-line consolidated basis and as such, includes its share of amounts from joint ventures. Detailed descriptions of these non-IFRS measures are contained in Chartwell's Q3 2013 MD&A, available at **sedar.com**.

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