NEWS RELEASE

Chartwell Encourages Unitholders to Vote at Unitholder Meeting and Provides Additional Information Regarding Proposed Amendments to Its Long Term Incentive Plan

2013-05-10

MISSISSAUGA, ONTARIO--(Marketwired - May 10, 2013) - Chartwell Retirement Residences (TSX:CSH.UN) ("Chartwell") reminded unitholders that they will have an opportunity to vote on three matters at Chartwell's upcoming annual and special meeting (the "Meeting") of unitholders to be held at St. Andrew's Club & Conference Centre, 150 King Street West, 27th Floor, Toronto, Ontario, at 4:30 p.m. (Toronto time) on Thursday, May 16, 2013. Unitholders are encouraged to provide their voting instructions well in advance of the deadline for the deposit of proxies of 4:30 p.m. (Toronto Time) on May 15, 2013.

At the Meeting, unitholders will be asked to vote on resolutions:

- electing trustees of Chartwell, trustees of CSH Trust and directors of Chartwell Master Care Corporation;
- reappointing the auditors of Chartwell and to authorize the trustees of Chartwell to fix the remuneration of the auditors; and
- approving certain amendments to Chartwell's long term incentive plan (the "LTIP").

In connection with the proposed amendments to the LTIP, Chartwell would like to remind unitholders that the key objective of the LTIP is to encourage long-term ownership of units in order to align the economic interests of

Chartwell's management and employees with unitholder interests. In that regard, the LTIP is a broad-based plan with over 400 participants, consisting of senior management, mid-level management and property level employees, with approximately half of the participants being general managers of Chartwell properties across Canada. As at March 31, 2013, an aggregate of 2.1 million LTIP units were issued and outstanding, of which approximately 0.7 million were held by trustees and senior executives of Chartwell and approximately 1.4 million were held by other corporate staff and property level employees.

Under the LTIP, participants are provided with the opportunity to purchase units of Chartwell, with distributions from such units being applied against the purchase price. Interest is applied to the unpaid purchase price at a prescribed rate for Income Tax Act purposes.

The LTIP was implemented on the assumption that a 10 year term would provide sufficient time for payment in full for units issued under the LTIP, based on Chartwell's then distribution rate. Changing market conditions since the creation of the LTIP have resulted in a reduction in Chartwell's monthly distribution to unitholders, such that it will now take much longer than the 10 years that was originally anticipated to pay for units issued under the LTIP in full. Accordingly, Chartwell is proposing to extend the period of time in which a participant will be provided to pay for units acquired under the LTIP.

The proposed amendments to the LTIP are non-dilutive to Chartwell and ensure that the interests of management and employees remain aligned with other unitholders by promoting long-term unit ownership. The amendments also greatly reduce the risk of participants selling units acquired under the LTIP in order to settle the unpaid purchase price, since at the end of the proposed new 20 year term, based on the current distribution level, most participants will have their units paid for in full. For these reasons, Chartwell believes such amendments to the LTIP are in the best interest of Chartwell and its unitholders. Accordingly, Chartwell urges unitholders to vote in favour of the proposed amendments to the LTIP.

About Chartwell:

Chartwell is a real estate investment trust that 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.

FOR FURTHER INFORMATION PLEASE CONTACT:
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Source: Chartwell Retirement Residences