NEWS RELEASE

Chartwell Agrees to Sell Five Properties in New York

2012-05-22

MISSISSAUGA, ONTARIO -- (Marketwire) -- 05/22/12 -- Chartwell Seniors Housing Real Estate Investment Trust (TSX: CSH.UN) ("Chartwell") announced today that Bristal Holdings, LLC, a company jointly owned by Chartwell and affiliates of ING Real Estate Australia Pty ("ING") has entered into an agreement to sell a portfolio of five seniors living communities comprising 768 assisted living suites located in New York State (collectively the "Bristal Portfolio") to HSRE-EB I, LLC (the "Buyer"), an entity owned by affiliates of Harrison Street Real Estate Capital, LLC and The Engel Burman Group, an affiliate of the current manager of this portfolio. Chartwell currently owns a 50% interest in this portfolio.

The purchase price for 100% of the portfolio will be US $290.0 million and will be partially settled through the Buyer's assumption of mortgage debt secured by the Bristal Portfolio with an outstanding balance as of April 30, 2012 of approximately US $199.6 million. The balance of the purchase price, subject to customary working capital adjustments and holdbacks will be paid in cash. The Buyer has completed its due diligence, and the closing of the transaction, subject to regulatory and lender approvals, is expected in the fourth quarter of 2012. As part of the transaction ING will also sell its 100% interest in the Bristal at Lynbrook seniors living community to the Buyer.

"The sale of the Bristal Portfolio is in line with our strategic priority to focus our efforts and investments more on the strong and stable Canadian market where we have an established strong presence in four key provinces, full operating control of our properties, and where we have a first-hand knowledge and understanding of the markets in which we operate," commented Brent Binions, Chartwell's President and CEO. "The Bristal Portfolio has been a strong performer since Chartwell acquired it in 2007. We would like to thank The Engel Burman Group for their outstanding work over the past five years."

About Chartwell:

Chartwell is a real estate investment 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.

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 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 "Risks and Uncertainties" in our 2011 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.

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Source: Chartwell Seniors Housing REIT