NEWS RELEASE

Chartwell Announces 92% Acceptance Of CPAC 'Care' Holdings Ltd. Take-Over Bid

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MISSISSAUGA, ONTARIO--(CCNMatthews - July 4, 2005) - Chartwell Seniors Housing Real Estate Investment Trust (TSX:CSH.UN) announced today that its indirect cash take-over bid (the "Offer") of $1.55 per common share of CPAC (Care) Holdings Ltd. ("CPAC") has been accepted by holders of more than 92% of the issued and outstanding CPAC common shares, which satisfies the Offer's minimum acceptance condition. As well, it appears that the other conditions to the Offer have been satisfied or will be met by 4:00 o'clock p.m. (Vancouver time) on Tuesday, July 5, 2005 (the "Expiry Time").

In such circumstances, Chartwell intends to take-up and pay for deposited CPAC common shares at a price of $1.55 per CPAC common shares in accordance with the terms of the Offer and the cash proceeds due to depositing CPAC shareholders should be available or sent as directed by CPAC shareholders on July 11, 2005. With the Offer having been accepted by holders of more than 90% of the CPAC common shares, Chartwell intends to compulsorily acquire any non-tendered common shares. Holders of CPAC common shares will receive the cash proceeds for their CPAC common shares sooner by accepting the Offer and tendering their common shares to the Offer before the Expiry Time.

Upon completion of the transaction, Chartwell will become the largest owner and operator of seniors residential facilities in British Columbia with a total of 2,957 suites in 23 facilities in most major B.C. markets.

Chartwell REIT is a growth-oriented investment trust owning and managing a complete spectrum of seniors housing properties, and is currently the second largest participant in the Canadian seniors housing business. Chartwell REIT will capitalize on the strong demographic trends present in its markets to grow internally and through accretive acquisitions. Chartwell REIT also has an exclusive option to purchase stabilized facilities from Spectrum Seniors

Housing Development LP, a seniors housing development company.

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.chartwellreit.ca**

Certain statements contained in this news release may include forward-looking information with respect to Chartwell Seniors Housing Real Estate Investment Trust's operations and future financial results. Such statements are based on current expectations, are subject to a number of uncertainties and risks, and actual results may differ materially from those contained in such statements. These uncertainties and risks include, but are not limited to, availability of resources, competitive pressures, changes in market activity and regulatory requirements. Further information can be found in the disclosure documents filed by Chartwell Seniors Housing Real Estate Investment Trust with the securities regulatory authorities, available at **www.sedar.com**.

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Source: Chartwell Seniors Housing REIT