NEWS RELEASE

Chartwell Announces First Quarter 2010 Results

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MISSISSAUGA, ONTARIO -- (MARKET WIRE) -- 05/13/10 -- Chartwell Seniors Housing Real Estate Investment Trust (TSX: CSH.UN) announced today results for the three months ended March 31, 2010.

Q1 2010 HIGHLIGHTS:

-- Same property NOI increases 4.6%
-- Canadian retirement portfolio same property NOI up 8.3%
-- Canadian Long-Term Care ("LTC") portfolio same property NOI up 5.0%
-- U.S. same property NOI declined by 2.1%
-- G&A expenses remain stable at 2.7% of revenues
-- Continued successful implementation of cost control initiatives
-- Completed previously announced acquisitions of three properties and two land parcels in Quebec
-- Agreement to acquire another new property from Spectrum

Strong Operating Performance

Same property net operating income ("NOI") increased $2.0 million or 4.6% for the quarter ended March 31, 2010 compared to the same period last year. The implementation of rent increases on renewal and turnover, increased ancillary revenues, reduced utility expense, and targeted cost reductions, were partially offset by a slight decrease in occupancy in the period. Same property occupancy was 90.7% in the first quarter of 2010, a 0.5 percentage point decline from 91.2% in the fourth quarter of 2009 and a 0.7 percentage point decline from the first quarter of last year.

The Canadian Retirement portfolio same property NOI increased $2.1 million or 8.3% for the quarter ended March 31, 2010 compared to the same period last year. The improved NOI is primarily attributable to regular annual rental rate increases, reduced utility and winter maintenance costs, and cost reduction initiatives, partially offset by reduced occupancies in certain Western Canadian markets. Same property occupancies in Western Canada were 89.9% in the first quarter of 2010 compared to 90.8% in the fourth quarter of 2009 and 93.4% in the first quarter of last year. Same property occupancies in Ontario were 92.5% in the first quarter of 2010 compared to 92.9% in the fourth quarter of 2009 and 93.7% in the first quarter of last year. Customer traffic and expected future arrivals maintained positive trends and management is optimistic that this improvement will result in improved occupancies through the remainder of 2010. In addition, the spillover effect from significant waiting lists for long-term care beds in Ontario should continue supporting the increased demand for retirement suites. Same property average occupancy in the Quebec portfolio was 86.6% in the first quarter of 2010 compared to 86.9% in the fourth quarter of 2009 and 1.8 percentage points up from 84.8% in the first quarter of last year.

The Canadian LTC portfolio continued to perform well with same property NOI increasing by 5.0% for the quarter ended March 31, 2010 compared to the same period last year, primarily due to additional government funding for accommodation in Ontario, partially offset by an increase in vacation and benefit costs. Occupancies in the first quarter of 2010 were at 98.4%, up from 98.2% in the fourth quarter of 2009 and 98.0% in the first quarter of last year.

U.S. same property NOI decreased by 2.1% in the first quarter of 2010 compared to the first quarter of 2009 primarily due to the decline in occupancy, partially offset by annual rent increases and reduced operating expenses. U.S. same property occupancies, in the first quarter of 2010 were 89.2%, down from 90.0% in the fourth quarter of 2009 and 91.2% in the first quarter of 2009. Management is cautiously optimistic that recent increases in inquiries and tours across the U.S. portfolio, combined with improvements in the U.S. housing market and completion of certain asset repositioning projects, will result in occupancy growth over the longer term.

For the first quarter of 2010, general, administrative and trust ("G&A") expenses, excluding severance and other costs, were stable at 2.7% of revenues compared to the first quarter of 2009.

Income from Canadian Management Operations was $0.4 million for the quarter ended March 31, 2010 compared to $1.1 million for the same period of last year. The decline was anticipated as Chartwell is reducing its emphasis on development and operations management activities for third parties and due to the decision to wind down its relationship with Spectrum Seniors Holdings LP.

Mezzanine loan income also decreased to $1.5 million in the first quarter of 2010 compared to $2.6 million for the first quarter of last year due to ongoing efforts to reduce exposure to mezzanine loans and as interest revenue

from Spectrum and Melior is only recognized when payments are received.

"We continue to make progress on our key priority to grow property AFFO from our existing portfolio," commented Brent Binions, President and CEO. "While our decision to reduce our mezzanine loan activities, as well as our third-party development and operations management programs, has impacted our overall results, our initiatives to enhance our property operations are proving successful and we expect these higher quality revenues and cash flows will continue to grow over the long term."

Adjusted Funds from Operations ("AFFO") and Funds from Operations ("FFO"):

In the first quarter of 2010, AFFO was $20.2 million ($0.16 per unit diluted) compared to $21.9 million ($0.21 per unit diluted) for the first quarter of 2009. Included in the first quarter of 2009 was a realized foreign exchange gain of $4.9 million ($0.05 per unit diluted). Not including the realized foreign exchange gain recorded in the first quarter of 2009, AFFO per unit diluted was flat compared to the same period of last year. Incremental contributions from the property portfolio, due to same property NOI growth and acquisitions, combined with reduced G&A expenses, were partially offset by lower mezzanine loan interest income and management fee income as discussed above. Per unit amounts were also impacted by the 28% increase in the weighted average number of units outstanding and the related dilution as the funds raised through the Trust Unit offering in 2009 were not fully deployed as of March 31, 2010.

In the first quarter of 2010, FFO increased to $19.5 million ($0.15 per unit diluted) from $19.3 million ($0.19 per unit diluted) in the first quarter of 2009, primarily due to increased contribution from the property portfolio and reduced G&A expenses, partially offset by lower mezzanine loan and management fee income. Per unit amounts were impacted by the increase in the weighted average number of units outstanding.

Strong Financial Position

As at March 31, 2010, the debt to gross book value ratio was 53.7% (60.2% including convertible debentures). The average term to maturity of the mortgage portfolio was 7.6 years with a contractual weighted average interest rate of 5.38%. As of March 31, 2010, including cash on hand and available credit facilities, financing capacity was $125.0 million.

During the first quarter of 2010, Chartwell repaid $31.2 million of mortgage debt to partially mitigate a temporary dilution from the equity offerings in 2009. As at March 31, 2010, 69% of the Canadian mortgage debt portfolio was CMHC-insured. Maturing debt through to 2012 relates exclusively to the Canadian property portfolio; there are no maturities of U.S. debt until 2013. Management expects to renew or replace maturing mortgages in the normal course.

Completed Property Acquisitions in Quebec

During the first quarter of 2010, Chartwell completed the previously announced acquisitions, through foreclosure proceedings, of three operating properties and one parcel of land from Melior and Spectrum. In addition, as part of the settlement with Melior, Chartwell acquired one parcel of vacant land adjacent to an owned operating retirement community in Quebec. As a result, mezzanine loans with the carrying amount of $12.8 million were settled. The original amount of these loans was $22.6 million which was reduced by fees recorded as a reduction of mezzanine loan balances of $1.0 million and previously recorded impairment provision of $8.8 million.

Amendments to Spectrum settlement agreement.

Subsequent to March 31, 2010 Chartwell agreed to extend the term of its settlement agreement with Spectrum from the original date of August 16, 2010 to December 31, 2010 to allow Spectrum to complete its orderly wind down. Chartwell will also acquire Spectrum's 50% interest in Valley Vista Retirement Residence located in Vaughan, Ontario. Valley Vista is a 139 suite residence opened in April 2009 and is currently 37% occupied. The purchase price for Spectrum's 50% interest will be $17.35 million and will be partially settled by the assumption of the existing mortgage with the committed amount of $15.44 million of which $15.08 million is currently outstanding. The existing mortgage is a demand loan due on December 31, 2012 which bears interest at prime plus 1.50%, subject to the minimum rate of 4%. The remaining portion of the purchase price will be paid in cash, subject to working capital adjustments and settlement of certain amounts owing to Chartwell.

Financial Highlights

Period ending March 31,	Three Months	
($000s, except number of units and per unit amounts)	2010	2009
Total Revenues (1)	$ 167,092	$ 171,286
Net Loss	(8,009)	(13,945)
Net Loss per unit (diluted)	(0.06)	(0.14)
Funds from Operations	19,486	19,309
Funds from Operations per unit (diluted)	0.15	0.19
Adjusted Funds from Operations	20,236	21,908
Adjusted Funds from Operations per unit (diluted)	0.16	0.21
Distributions declared	17,537	18,621

Distributions declared per unit	0.14	0.19
Weighted average number of units outstanding (diluted)	130,374,173	102,053,286

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(1) Excludes discontinued operations

Chartwell's financial statements, including its Management's Discussion and Analysis ("MD&A"), are available at **www.chartwellreit.ca**. 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, May 14, 2010 at 10:00 AM ET. The telephone numbers for the conference call are: Local (416) 849-5562 or Toll Free: (866) 269-7096. The conference call can also be heard over the Internet by accessing the Chartwell website at **www.chartwellreit.ca**, 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 (416) 915-1035 or toll-free (866) 245-6755. The Passcode for the Instant Replay is 56972#. The Instant Replay will be available until midnight, May 21, 2010. The call, along with the companying slides, will also be archived on the Chartwell website at **www.chartwellreit.ca**.

Chartwell is a real estate investment trust which indirectly owns and operates a complete range of seniors housing communities from independent supportive living ("ISL") through assisted living ("AL") to long-term care ("LTC"). 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.

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**.

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 have an intention 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 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.

Funds from Operation, Adjusted Funds from Operations and Net Operating Income are not measures recognized under GAAP and do not have a standardized meaning prescribed by GAAP. They are presented because management believes these non-GAAP measures are relevant measures of Chartwell's performance. Funds from Operations, Adjusted Funds from Operations and Net Operating Income as computed by Chartwell may differ from similar computations as reported by other issuers and, accordingly, may not be comparable to those reported by such issuers. Detailed descriptions of these terms are contained in Chartwell's 2009 MD&A, available at **www.sedar.com**.

Contacts:
Chartwell Seniors Housing Real Estate Investment Trust
Vlad Volodarski

Chief Financial Officer
(905) 501-4709
(905) 501-4710 (FAX)
vvolodarski@chartwellreit.ca