NEWS RELEASE

Chartwell Announces Fourth Quarter and Year End 2009 Results

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MISSISSAUGA, ONTARIO -- (MARKET WIRE) -- 03/04/10 -- Chartwell Seniors Housing Real Estate Investment Trust (TSX: CSH.UN) announced today results for the three months and year ended December 31, 2009.

2009 HIGHLIGHTS:

- Fourth quarter same property occupancies at 91.8%, up from 91.3% in the prior quarter
- Continued successful implementation of cost control initiatives
- CMHC-insured mortgage debt renewal programs on track, generating ongoing interest savings
- Significant progress reducing mezzanine loan exposure
- $158.8 million raised in two fourth quarter equity offerings to fund specified acquisitions and improve liquidity
- Restructured relationship with U.S. property manager reduces risk profile and enhances U.S. cash flow
- Financing capacity of $168.8 million at year end, including cash on hand and available credit facilities
- Distributions paid to unitholders in 2009 100% tax deferred

Solid Operating Performance

Same property net operating income ("NOI") decreased $0.3 million or 0.7% for the quarter ended December 31,

2009 compared to the same period last year. For the year ended December 31, 2009 same property NOI decreased $0.9 million or 0.5% compared to last year. The implementation of rent increases on renewal and turnover, increased ancillary revenues, and targeted cost reductions partially offset the negative impact of reduced occupancies, property and commodity tax increases, and a one-time increase in vacation and benefit cost estimates compared to the prior year. Same property occupancy was 91.8% in the fourth quarter of 2009, up 0.5 percentage points from the previous quarter of 2009 but down from 93.1% in last year's fourth quarter. For the year ended December 31, 2009 same property occupancy was 91.6% compared to 93.3% in the prior year.

In the Canadian Retirement portfolio same property NOI decreased $1.0 million or 4.3% for the quarter ended December 31, 2009 compared to the same period last year. For the year ended December 31, 2009 same property NOI decreased $1.8 million or 1.8% compared to last year. The NOI declines are primarily attributable to lower occupancies, particularly in the British Columbia portfolio, as well as one-time increases in estimated liabilities for employee vacation and benefits recorded in the fourth quarter of 2009. Same property occupancies in Ontario were healthy at 93.1% in the fourth quarter of 2009, up from 92.1% in the third quarter of the year and lower than 94.1% in the fourth quarter of last year. Customer traffic and expected future arrivals maintained positive trends and management is optimistic that this improvement will translate into continued increases in occupancies in 2010. In addition, the spillover effect from significant waiting lists for long-term care beds in the province should continue supporting the increased demand for retirement suites. Performance in the Quebec portfolio continues to show steady growth with same property average occupancy improving to 88.6% in the fourth quarter of 2009, up from 87.8% in the third quarter of 2009 and from 85.5% in the fourth quarter of last year. In Western Canada, while Alberta occupancies remained strong, continued oversupply conditions in two British Columbia markets, combined with reduced occupancies at one long-term care community, resulted in same property occupancies declining to 90.3% in the fourth quarter of 2009 from 91.0% in the third quarter of 2009 and 95.0% in the fourth quarter of the prior year.

The Canadian Long-Term Care portfolio continued to perform well with occupancy at 98.2% in the fourth quarter, consistent with the third quarter of 2009 and the fourth quarter of 2008. Same property NOI increased by 3.9% and 3.5% for the fourth quarter and year ended December 31, 2009, respectively compared to the same periods last year, due primarily to additional government funding for accommodation in Ontario, partially offset by a one-time increase in vacation and benefit costs.

U.S. same property occupancies in the fourth quarter of 2009 were 90.0%, up from 89.4% in the third quarter of 2009 but down from 93.3% in last year's fourth quarter. Management is optimistic that recent increases in inquiries and tours across the U.S. portfolio, combined with some improvements in the U.S. housing market, are positive signs that occupancies may improve over the longer term. Despite the occupancy declines, same property NOI increased 4.6% and 0.5% in the fourth quarter and year ended December 31, 2009, respectively compared to the

prior year periods due primarily to regular annual rent increases and ongoing cost reduction measures, as well as the reduction in the estimates of the employee health benefit costs recorded in the fourth quarter of 2009.

For the fourth quarter of 2009, general, administrative and trust ("G&A") expenses, excluding severance and other costs, decreased to 2.8% of revenue compared to 2.9% of revenue in the same period of 2008. For the year ended December 31, 2009, G&A expenses as a percentage of revenues, excluding severance and other costs, remained stable at 2.8%.

Income from Canadian Management Operations was $0.8 million and $3.2 million for the fourth quarter and year ended December 31, 2009 respectively, compared to $1.2 million and $5.0 million respectively for the comparable prior-year periods. The decline is primarily due to lower development and operations management fees from Spectrum.

Mezzanine loan income also decreased in the fourth quarter and year ended December 31, 2009 compared to the prior year periods 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 experienced improving trends in our property occupancies during the fourth quarter across the majority of our property platforms, a testament to the success of our sales and marketing initiatives and our commitment to providing the highest levels of care and support to our residents," commented Brent Binions, President and CEO. "Looking ahead, we anticipate further organic growth as we continue to focus our efforts on increasing AFFO from our property portfolio."

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

In the fourth quarter of 2009, AFFO was $14.7 million ($0.13 per unit diluted) compared to $11.3 million ($0.11 per unit diluted) for the same period in 2008. An impairment charge of $6.4 million ($0.06 per unit diluted) was recorded in the fourth quarter of 2008. Not including the impairment charge in 2008, the decline of $0.04 per unit diluted in the fourth quarter of 2009 compared to the same prior-year period was due to lower mezzanine loan interest, management fees and other income, and realized foreign exchange losses, partially offset by increased contributions from the property portfolio. Per unit amounts were also impacted by the 15% increase in the weighted average number of units outstanding in the fourth quarter of 2009 compared to the prior year. For the year ended December 31, 2009, AFFO, excluding the impairment provisions, was $73.3 million ($0.69 per unit diluted) compared to $71.7 million ($0.71 per unit diluted) in the prior year. The increase was due to realized foreign exchange gains and increased contributions from the property portfolio due to acquisitions partially offset by lower mezzanine loan interest, management fees and other income, and higher G&A expenses. Per unit amounts for the year ended December 31, 2009 were impacted by an increase in the weighted average number of

units outstanding in 2009 compared to the prior year.

In the fourth quarter of 2009, FFO decreased to $16.9 million ($0.14 per unit diluted) from $23.2 million ($0.23 per unit diluted) in the fourth quarter of 2008 primarily due to an increase in unrealized foreign exchange losses offset by impairment provisions recorded in the fourth quarter of 2008. For the year ended December 31, 2009 FFO decreased to $34.0 million ($0.32 per unit diluted) compared to $83.1 million ($0.82 per unit diluted) last year primarily due to higher impairment provisions and an increase in foreign exchange losses.

Strong Financial Position

As at December 31, 2009 the debt to gross book value ratio was 53.4% (59.9% including convertible debentures). The average term to maturity of the mortgage portfolio was 7.9 years with a contractual weighted average interest rate of 5.42%. As of December 31, 2009, including cash on hand and available credit facilities, financing capacity was $168.8 million.

In the fourth quarter of 2009, $16.5 million of maturing debt was refinanced at an average rate of approximately 3.09% compared to 5.06% rate on the maturing debt, taking advantage of current low interest rates. During 2009, $151.0 million of debt was refinanced, including $12.6 million of 2010 maturing mortgage debt, at a weighted average interest rate of 3.79%, down from 5.06% rate on the maturing debt. Subsequent to December 31, 2009 Chartwell repaid $31.2 million of mortgage debt to partially mitigate a temporary dilution from the equity offerings in 2009. As at December 31, 2009 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.

During the fourth quarter of 2009 net proceeds of approximately $158.8 million were raised in two public offerings totalling approximately 27.4 million Trust Units. The net proceeds will be utilized primarily to fund the acquisitions of the remaining 50% interest in the Meridian and Regency Care portfolios (see below), to take advantage of restructuring opportunities related to certain existing mezzanine loans and for general trust purposes. Initially the proceeds were partially utilized to pay down amounts outstanding under the operating credit facility.

100% Tax Deferral on Cash Distributions

In 2009 and 2008 100% of cash distributions received by Unitholders were characterized as tax-deferred returns on capital. Management anticipates this high level of tax deferral will continue for the foreseeable future.

Reducing Risk and Growing Portfolio

During 2009 Chartwell expanded its portfolio with the accretive acquisition of six properties from Spectrum and its joint venture partner containing 619 suites for total costs of $83.1 million. As part of these transactions, $9.3 million of mezzanine loans receivable and $10.5 million of accounts receivable were settled.

On October 1, 2009 Chartwell reorganized its U.S. operations and as a result no longer has an ownership interest in 25 leased properties and eight third-party management contracts. As of December 31, 2009 these properties and contracts have been recorded as discontinued operations. The reorganization eliminates exposure to negative cash flows and future obligations under the lease agreements and Chartwell expects annualized AFFO from its operations to increase by approximately $2.0 million or $0.02 per unit diluted as a result of this reorganization.

In addition, during the fourth quarter of 2009 Chartwell agreed to acquire the remaining 50% interest in eight long-term care properties in Ontario ("Regency Care portfolio") and six retirement properties in the U.S. ("Meridian portfolio") from ING Real Estate Investment Management Australia PTY ("ING") and its affiliates. Chartwell has managed these properties in joint venture relationships with ING since their original acquisition. The purchase price for the Regency portfolio is $79.5 million which will be settled in part by the assumption of mortgages payable of $68.9 million. The purchase price for the Meridian portfolio is U.S. $110.5 million which will be settled in part by the assumption of mortgages payable of U.S. $75.2 million. Closing is expected in the spring of 2010 and closing costs are estimated at approximately $4.0 million.

Finally, subsequent to the year end under its Settlement Agreement with Le Groupe Melior Inc., Chartwell received court approval to foreclose and take possession of three operating properties and one parcel of vacant land in Quebec. Chartwell will assume approximately $67.7 million in outstanding mortgages and $5.7 million in other liabilities, while $12.8 million of mezzanine loans receivable net of previously recorded impairment provisions and unamortized placement fees of $9.8 million, will be discharged. Closing is expected during the first quarter of 2010.

"We made solid progress on our key priorities in 2009 as we enhanced the contribution from our property portfolio, conservatively managed our capital resources, reduced our mezzanine loan exposure, and prudently expanded our portfolio through accretive acquisitions. Going forward, we are confident Chartwell is well positioned to capitalize on continuing positive fundamentals in the North American seniors housing business," Mr. Binions concluded.

Financial Highlights

Period ending December 31, Three Months Year

($000s except per unit amounts)	2009	2008	2009	2008
Total Revenues (1)	167,788	169,439	673,530	630,393
Net Loss	$ (7,236)	$ (77,084)	$ (71,245)	$ (107,428)
Net Loss per unit (diluted)	$(0.06)	$(0.81)	$(0.70)	$(1.14)
Funds from Operations	16,858	23,249	34,029	83,124
Funds from Operations per unit (diluted)	$0.14	$0.23	$0.32	$0.82
Adjusted Funds from Operations	14,667	11,289	42,619	65,248
Adjusted Funds from Operations per unit (diluted)	$0.13	$0.11	$0.40	$0.64
Distributions declared	16,367	18,555	69,106	79,265
Distributions declared per unit	$0.14	$0.19	$0.66	$0.79
Weighted average units outstanding (diluted)	116,986,471	101,674,442	106,140,729	101,185,111

(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, March 5, 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 745615#. The Instant Replay will be available until midnight,

March 12, 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 focused on generating sustainable, stable and growing cash distributions from owning and managing a complete range of seniors housing communities. It is one of the largest participants in the North American seniors housing business. 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 reflect the current expectations of management about the future results, performance, achievements, prospects or opportunities for Chartwell and the seniors housing industry. These statements generally can be identified by use of forward-looking words such as "may", "will", "expect", "estimate", "anticipate", "believe", "project", "should" or "continue" or the negative thereof or similar variations. 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 Chartwell's control 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 MD&A, available at **www.sedar.com**.

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