NEWS RELEASE

Chartwell Announces Improved First Quarter 2008 Results

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MISSISSAUGA, ONTARIO--(Marketwire - May 13, 2008) - Chartwell Seniors Housing Real Estate Investment Trust (TSX:CSH.UN) announced today results for the three months ended March 31, 2008.

PROPERTY HIGHLIGHTS:

- Property revenues up 29.1%

- Same property revenues up 4.4%

- Same property weighted average occupancy, excluding internal growth suites up to 93.4%

- Consolidated same property net operating income (NOI) up 6.2%

- Canadian retirement communities same property NOI up 2.6%

- Canadian long-term care same property NOI up 3.8%

- U.S. same property NOI up 12.3%

- Same property operating margins up to 32.0%

FINANCIAL HIGHLIGHTS:

- Consolidated revenues up 26.0% on successful execution of operating strategies

- General, administrative and trust expenses decline as a percentage of revenues to 2.9%

- Loan to gross book value 54% (60.9% including convertible debentures)

- Average term to maturity on mortgage portfolio 8.9 years

- Weighted average contractual interest rate 5.76%

- 2008 and 2009 mortgage maturities limited to Canada only; no U.S. debt maturity exposure until 2013

- No balances outstanding on operating credit facility

- $36.7 million of cash on hand at March 31, 2008

Strong Property Revenue Growth

For the three months ended March 31, 2008, total revenues increased 26.0% to $174.3 million compared to $138.3 million for the same period in 2007. Property revenues were up 29.1% due primarily to contributions from acquisitions and a 4.4% increase in same property revenues resulting from increased rents, new resident services, increased occupancies and internal growth initiatives as compared to the same period last year.

Chartwell's total portfolio, including suites owned, managed, in lease-up, or in various stages of development, consisted of interests in 37,304 suites in 270 seniors housing communities as at March 31, 2008. Its owned and leased portfolio consisted of interests in 27,939 suites in 201 communities at March 31, 2008. Occupancies for the existing stabilized portfolio, excluding internal growth suites, remained strong at 93.4% in the first quarter of 2008 compared to 92.9% in the first quarter of 2007.

Mezzanine loan interest income before yield adjustments in the first quarter of 2008 increased by 1.5% compared to the same period last year due to higher loan balances outstanding in 2008.

For Chartwell's Canadian management operations, revenues before yield adjustments decreased by $1.5 million in the first quarter of 2008 compared to the same period in 2007, due primarily to lower due diligence project management fees from ING Real Estate Australia and development management fees from Spectrum, partially offset by higher operations management fees from both Spectrum and other third-parties.

"Our main objective going forward is to capitalize on the significant growth we have achieved over the last four

years to generate strong and growing AFFO per unit," commented Stephen Suske, CEO and Vice Chair. "We began to see the benefits of this continuing focus in the first quarter with improved occupancies, realization of cost synergies and enhanced same property net operating income across our entire portfolio."

Solid Operating Performance

For Chartwell's Canadian retirement operations, same property net operating income for the three months ended March 31, 2008 rose 2.6% to $22.0 million, due primarily to revenue growth, contributions from internal growth projects, and benefits generated by new cost management programs implemented in mid-2007. Acquisitions contributed $3.0 million in NOI for the three months ended March 31, 2008. Excluding internal growth suites which are in lease-up, weighted average occupancies for the three months ended March 31, 2008 were 92.5% compared to 92.8% for the same period last year.

For Chartwell's Canadian long-term care operations, same property net operating income rose 3.8% to $2.7 million for the first quarter of 2008 due to improved occupancies as well as the realization of savings from the implementation of new cost management programs. Acquisitions completed subsequent to January 1, 2007 contributed $1.9 million in NOI for the first quarter of 2008. The weighted average occupancy for the three months ended March 31, 2008 was 97.6% compared to 95.8% for the same period in 2007.

Chartwell's US operations contributed approximately US$23.4 million to net operating income for the quarter ended March 31, 2008. Same property net operating income in the US portfolio increased 12.3% during the quarter to US$15.4 million, primarily due to improved occupancies, regular annual rent increases and a refund of insurance premiums due to favourable claims experience. Weighted average occupancies rose to 93.3% in the quarter from 91.7% in the same quarter last year.

General and Administrative ("G&A") expenses, as a percentage of revenue, improved to 2.9% for the three months ended March 31, 2008 compared to 3.2% for the same period last year, excluding advisory services and other costs related to the Board of Trustees' Special Committee.

Funds from Operations ("FFO") were $18.9 million ($0.19 per Unit diluted) in the first quarter of 2008 compared to $13.9 million ($0.17 per Unit diluted) for the same period last year. FFO and FFO per Unit in the first quarter of 2008 were affected by a number of factors, including:

- Unrealized foreign exchange gains for the first quarter of 2008 compared to unrealized foreign exchange losses in the first quarter of 2007 increased FFO by approximately $3.5 million ($0.03 per diluted Unit) for the first three months of 2008. These unrealized gains and losses are primarily related to cross-border US dollar denominated loans used to finance the Chartwell's US operations.

- Amortization of financing costs and debt mark-to-market adjustments, and accretion on the convertible debentures combined, reduced FFO by $0.7 million ($0.01 per diluted Unit) in the first quarter of 2008.

- Current income tax provision related to SIFT tax rules reduced FFO by $1.0 million ($0.01 per diluted Unit) in the first quarter of 2008. This provision is due to uncertainty related to whether one of Chartwell's subsidiary partnerships will be considered a SIFT. We believe that if required we will be able to reorganize this partnerships in such a way that no SIFT Tax will be payable by 2009.(1)

- Positive contribution from our property portfolio resulting from improved occupancies, rate increases and cost management programs.

Normalized funds from operations, which excludes the effect of foreign exchange losses on intercompany debt, straight line lease expense adjustments and SIFT tax expenses, were $18.7 million ($0.19 per Unit diluted) for the three months ended March 31, 2008 compared to $16.9 million ($0.20 per Unit diluted) for the same period last year.

Adjusted Funds from Operations ("AFFO") is FFO adjusted for straight line adjustments to lease expense, the amortization of below-market leases, the principal portion of capital subsidies receivable, amounts received under net operating income guarantees, the amortization of debt mark-to-market adjustments and deferred financing costs, and capital maintenance reserves. For the three months ended March 31, 2008, AFFO was $16.0 million ($0.16 per diluted Unit) compared to $15.0 million ($0.18 per diluted Unit) for the same period last year. AFFO in the first quarter of 2008 has been impacted by many of the same factors that affected FFO as outlined above.

"Chartwell's extensive and high quality portfolio possesses a number of strong competitive advantages that bode well for continued growth in AFFO going forward," Mr. Suske continued. "Our properties are relatively new, well diversified geographically, and with a large proportion in the higher margin independent living sector, we will benefit from the large baby boom generation soon entering their retirement years." (1)

Cash Distributions

Effective with the March 2008 payment, Chartwell reduced its annual cash distributions to $0.74 per unit. If implemented for the full 2007 year, cash distributions would have been equal to 2007 pre-tax AFFO.

Solid Financial Position

Chartwell's balance sheet remained strong at quarter-end. As at March 31, 2008, Chartwell's leverage of debt to the gross book value of its assets was 54.0% (60.9% including convertible debentures). The average term to maturity for

its mortgage portfolio was 8.9 years, down from 9.1 years at the end of 2007 due to the passage of time, with a contractual weighted average interest rate of 5.76%. Chartwell has 8.9% and 9.6% of its debt maturing in 2008 and 2009, respectively. Of these maturities, 54% and 84%, respectively are CMHC insured. The maturing debt in 2008 and 2009 relates to Chartwell's Canadian property portfolio, and management expects to renew or replace all expiring mortgages in the normal course.(1) As of March 31, 2008 Chartwell had no balances outstanding on its operating credit facility and $36.7 million in cash.

Financial Highlights:

Three Months Ended March 31, ($,000 except per unit amounts)	2008	2007
Revenues:		
Property Revenue	$ 166,387	$ 128,455
Mezzanine Loan Interest	3,028	3,357
Management and Other Fees	2,339	3,866
Other Income	2,595	2,664
Total Revenues	174,349	138,342
Net Loss	(11,521)	(9,130)
Net Loss per Unit (diluted)	(0.13)	(0.12)
Funds from Operations	18,900	13,914
Funds from Operations per Unit (diluted)	0.19	0.17
Normalized Funds from Operations	18,702	16,891

Normalized Funds from Operations per Unit

(diluted)	0.19	0.20
Adjusted Funds from Operations	16,013	15,005

Adjusted Funds from Operations per Unit (diluted) 0.16 0.18 Distributions declared

	23,784	21,995
Distributions declared per Unit	0.24	0.27

Weighted Avg Units Outstanding (diluted) 100,368,148 83,353,488 ---------- ---

Chartwell's financial statements, including its Management's Discussion and Analysis, are available at **www.chartwellreit.ca**. A detailed list of Chartwell's property portfolio can also be obtained under "Property List" in the "Investor Relations" section of the web site.

Chartwell is an investment trust focused on generating sustainable, stable and growing cash distributions from owning and managing a complete spectrum of seniors housing communities. It is the largest participant in the Canadian seniors housing business and the third largest in North America. Chartwell will capitalize on the strong demographic trends present in its markets to maximize the value of its existing portfolio of seniors housing facilities, and prudently avail itself of opportunities to grow internally and through accretive acquisitions.(1) Chartwell also has an exclusive option to purchase stabilized communities from Spectrum, Canada's largest and fastest growing 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**.

(1)These paragraphs contain forward-looking information. Please see the "Forward-Looking Information and Risks and Uncertainties" section in the MD&A.

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, Normalized Funds from Operations, 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, Normalized Funds from Operations, Adjusted Funds from Operations and Net Operating Income as computed by Chartwell may differ from similar computations as reported by other organizations and, accordingly, may not be comparable to those reported by such organizations. Detailed descriptions of these terms are contained in Chartwell's Management Discussion and Analysis, available at **www.sedar.com**.

FOR FURTHER INFORMATION PLEASE CONTACT:
Chartwell Seniors Housing Real Estate Investment TrustStephen Suske
CEO and Vice Chair
(905) 501-4701
Fax: (905) 501-4710 (FAX)
Email: ssuske@chartwellreit.ca
Website: www.chartwellreit.ca

Source: Chartwell Seniors Housing REIT

Contact: Chartwell Seniors Housing Real Estate Investment Trust Stephen Suske CEO and Vice Chair (905) 501-4701 Fax: (905) 501-4710 (FAX) Email: ssuske@chartwellreit.ca Website: www.chartwellreit.ca