NEWS RELEASE

Chartwell Announces New Management Contracts for U.S. Properties

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MISSISSAUGA, ONTARIO -- (MARKET WIRE) -- 09/01/11 -- Chartwell Seniors Housing Real Estate Investment Trust (TSX: CSH.UN) ("Chartwell") announced today that it has completed its agreements with Brookdale Senior Living Inc. ("Brookdale") for management of 45 of Chartwell's properties located in the United States. Brookdale will be acquiring Horizon Bay Chartwell and Horizon Bay Chartwell II (collectively "HBC"), who had previously been managing these Chartwell properties.

The average terms of the management contracts will be reduced to approximately 10 years from the current range of 16 to 26 years, with a new maturity date of December 31, 2021. The base management fee for the properties under contract will be 5% of gross revenues, replacing the range of 4.5% to 5.5% of gross revenues under the prior contracts. The new contracts include an incentive fee mechanism whereby Brookdale can earn an additional fee of up to 2% of gross revenues upon the achievement of specified annual operating targets. Management fees may also be reduced by up to 1% if such annual operating targets are not achieved. Under the terms of the new contracts, Chartwell expects to replace cash flow it has been receiving from its ownership interests in HBC with property operating cash flows.

As part of the restructuring of the management agreements, Chartwell has granted Brookdale a limited time option to acquire a 20% interest in Chartwell's U.S. real estate assets managed by Brookdale at fair market value, which would be determined based on fully-stabilized occupancy. In addition, Chartwell has granted Brookdale a right of first offer should Chartwell decide to sell its interest in the U.S. properties being managed by Brookdale.

The above management agreement changes are subject to lender approvals and, with respect to the 15 U.S. properties currently co-owned with ING, to completion of the previously announced acquisition of the remaining

50% interests in these properties (the "ING transaction"). Until such approvals are received and the ING transaction is completed, Brookdale will operate Chartwell's properties under the existing management contracts.

"We are pleased to be entering into this new management agreement with a large, well-capitalized and proven industry participant," commented Brent Binions, Chartwell's President and CEO. "In addition, we are confident the terms of the new agreement will result in significantly better alignment with our manager, which in turn will drive improved performance from the portfolio and increase the value of our U.S. properties for the benefit of our Unitholders."

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. 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**.

About Brookdale

Brookdale Senior Living Inc. is a leading owner and operator of senior living communities throughout the United States. Brookdale is committed to providing an exceptional living experience through properties that are designed, purpose-built and operated to provide the highest-quality service, care and living accommodations for residents. Currently Brookdale owns and operates independent living, assisted living, and dementia-care communities and continuing care retirement centres, with 558 communities in 33 states and the ability to serve over 51,000 residents. Brookdale is a publicly-traded company (NYSE: BKD). For more information, visit **www.brookdaleliving.com**.

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 2010 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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