NEWS RELEASE

Chartwell Announces Third Quarter 2011 Results

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MISSISSAUGA, ONTARIO -- (MARKET WIRE) -- 11/10/11 -- Chartwell Seniors Housing Real Estate Investment Trust (TSX: CSH.UN) ("Chartwell") announced today results for the three and nine months ended September 30, 2011.

Q3 2011 Highlights

- Strong same property NOI growth of 4.9% with occupancy improving to 90.4%
- U.S. operations deliver 12.8% same property NOI growth and strong occupancy recovery
- Acquisition of remaining 50% interest in 15 U.S. properties enhances portfolio flexibility

"We are pleased to see that our focus on improving our operating performance and efficiency, combined with investments to enhance the quality of our cash flows and strengthen our financial position, are generating solid benefits for our Unitholders," commented Brent Binions, President and CEO. "Looking ahead, we remain optimistic that our Canadian operations will continue to perform well and, although we remain cautious with respect to our U.S. operations in the short term, our longer term outlook for this platform is positive."

"We are also pleased to have completed the acquisition of a 50% interest in 15 U.S. communities from ING, bringing our ownership in these communities to 100%, which provides us with the necessary flexibility to capitalize on potential value-creating opportunities going forward," Mr. Binions added.

Financial Highlights

	Three Months Ended September 30		Nine Months Ended September 30	
	2011	2010	2011	2010
Adjusted Funds from Operations ("AFFO") (000s) (1)	$ 22,368	$ 20,287	$ 64,494	$ 61,291
AFFO per unit diluted (1)	$ 0.15	$ 0.16	$ 0.44	$ 0.47
Funds from Operations ("FFO") (000s) (1)	$ 24,958	$ 22,571	$ 71,655	$ 68,071
FFO per unit diluted (1)	$ 0.17	$ 0.17	$ 0.49	$ 0.52
Distributions declared (000s)	$ 19,649	$ 17,576	$ 58,732	$ 52,671
Distributions declared per unit	$ 0.14	$ 0.14	$ 0.27	$ 0.27
Distributions declared as a percentage of AFFO	87.8%	86.6%	91.1%	85.9%
Weighted average number of units outstanding, diluted (000s)	146,137	130,666	145,571	130,532

(1) AFFO, AFFO per unit diluted, FFO and FFO per unit diluted are measures used by management in evaluating operating performance. Please refer to the cautionary statements under the heading "Non-IFRS Measures" in this press release.

AFFO in the third quarter of 2011 was $22.4 million ($0.15 per unit diluted) compared to $20.3 million ($0.16 per unit diluted) in the third quarter of 2010. For the nine-month period ended September 30, 2011, AFFO was $64.5 million ($0.44 per unit diluted) compared to $61.3 million ($0.47 per unit diluted) in the same period of 2010. Incremental contributions from the property portfolio, lower General, Administrative and Trust ("G&A") expenses and lower interest expense due to the redemption of $125 million of convertible debentures in the fourth quarter of 2010, were partially offset by lower mezzanine loan interest and management fee income and non-recurring severance costs. Per unit amounts were impacted by the 11.8% increase in the weighted average number of units outstanding compared to the prior year.

In the third quarter of 2011, FFO increased to $25.0 million ($0.17 per unit diluted) from $22.6 million ($0.17 per

unit diluted) in the third quarter of 2010. For the nine-month period ended September 30, 2011, FFO increased to $71.7 million ($0.49 per unit diluted) from $68.1 million ($0.52 per unit diluted) in the prior year. In addition to the items discussed above, FFO in 2011 has also been impacted by changes in the amortization of financing costs and fair value adjustments on mortgages payable.

Operating Performance

	Three Months Ended September 30			Nine Months Ended September 30		
	2011	2010	Increase/ (Decrease)	2011	2010	Increase/ (Decrease)
Same Property Occupancy (1)	90.4%	90.1%	0.3 pp	90.1%	89.9%	0.2 pp
Same Property Net Operating Income ("NOI") (000s) (2) (3)	$ 42,877	$ 40,886	$ 1,991	$125,770	$123,899	$ 1,871
G&A expenses (000s) (4)	$ 4,621	$ 6,247	$ (1,626)	$ 17,163	$ 17,791	$ (628)
G&A as a percentage of revenue	2.5%	3.3%	(0.8 pp)	3.1%	3.4%	(0.3 pp)
Net Loss (000s)	$ (770)	$(17,934)	$ 17,164	$(38,082)	$(38,832)	$ 750

(1) pp = percentage points
(2) NOI is a measure used by management in evaluating operating performance. Please refer to the cautionary statements under the heading "Non-IFRS Measures" in this press release.
(3) Excludes the effects of foreign exchange on U.S. dollar revenue.
(4) Excludes Q3 2011 non-recurring severance costs of $1.4 million.

Same property weighted average occupancy in the three and nine months ended September 30, 2011 improved as compared to the same periods of 2010. Strong occupancy growth in the U.S., Western Canada and Quebec were offset by a slight decline in Ontario occupancy.

Same property NOI showed strong growth in the third quarter of 2011, improving by $2.0 million or 4.9% compared to the third quarter of 2010. In the nine-month period ended September 30, 2011 same property NOI grew by $1.9 million or 1.5% compared to the same period of 2010. In the third quarter of 2011 all operating platforms generated solid same property NOI growth with the U.S. platform leading with a 12.8% increase compared to the same period of last year, primarily as a result of improved occupancies.

G&A expenses, excluding non-recurring severance costs, decreased by $1.6 million and $0.6 million in the three and nine months ended September 30, 2011, respectively, compared to the same periods of 2010. The decreases are primarily due to lower professional and consulting fees, lower compensation expenses as a result of process improvement reviews conducted in 2010 and in 2011, and certain temporary staffing vacancies. In addition, in the third quarter of 2011 we incurred $1.4 million of non-recurring severance costs related to the departure of two senior executives.

In addition to the items discussed above, the net loss for the three and nine months ended September 30, 2011 was impacted by positive changes in fair values of financial instruments and unrealized foreign exchange gains and losses and changes in deferred income tax expense / recovery, changes in depreciation and amortization and gains and losses on step-acquisitions and on sales of properties.

Strong Financial Position

At September 30, 2011, cash on hand amounted to $13.9 million and the unused borrowing capacity on the Credit Facility was $56.3 million.

At September 30, 2011, Indebtedness Ratio was 54.6% (56.9% including convertible debentures), compared to 55.3% (57.7% including convertible debentures) at December 31, 2010. Interest Coverage Ratio for the three and nine months ended September 30, 2011 was 1.96x and 1.91x, respectively, an improvement from the 1.78x and 1.83x Interest Coverage Ratios in the same periods of 2010. The average term to maturity of the mortgage portfolio was 7.1 years with a contractual weighted average interest rate of 5.42%.

Recent Developments

On November 1, 2011, Chartwell completed the previously announced acquisition of a 50% interest in a 15-

property portfolio in the U.S. from ING Real Estate Community Living Group ("ING") to bring its total ownership in such properties to 100%. The purchase price of U.S. $169.0 million was partially settled by an assumption of ING's share of mortgages on these properties with an outstanding balance of U.S. $135.8 million, bearing a weighted average interest rate of 6.27% and a weighted average term to maturity of approximately 4.5 years. The remainder of the purchase price of approximately U.S. $33.2 million, net of working capital adjustments, was paid in cash utilizing Chartwell's Credit Facility.

Subsequent to September 30, 2011, we were notified that the previously announced sale of certain Spectrum Seniors Holdings LP ("Spectrum") assets to Renaissance Lifestyle Communities Inc. ("Renaissance") will not proceed at this time. We retain all of our rights under our agreements with Spectrum, including mezzanine loan agreements and the development agreement, as amended. We will continue to work with Spectrum to collect our accounts receivable and mezzanine loans and to manage certain of its operating properties.

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, November 11, 2011 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 390174#. The call, along with the accompanying 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 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**.

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.

Non-IFRS Measures

FFO, AFFO, and NOI are not measures defined by International Financial Reporting Standards ("IFRS"). They are presented because management believes these non-IFRS measures are relevant and meaningful measures of Chartwell's performance. FFO, AFFO and NOI as computed may differ from similar computations as reported by other issuers and may not be comparable to those reported by such issuers. Chartwell's Q3 2011 MD&A contains a reconciliation of Net Income/Loss to FFO and the calculation of AFFO for the three and nine months ended

September 30, 2011. Detailed descriptions of these terms are contained in Chartwell's 2010 MD&A, available at **www.sedar.com**.

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