NEWS RELEASE

Chartwell Expands Presence in Quebec with Acquisition and New Third-Party Management Contracts

2005-12-13

MISSISSAUGA, ONTARIO--(CCNMatthews - Dec. 13, 2005) - Chartwell Seniors Housing Real Estate Investment Trust (TSX:CSH.UN) announced today that it had acquired a retirement residence and entered into significant new third-party management contracts in the Province of Quebec.

Chartwell has acquired a 100% interest in Residence Ste Marthe located in central Saint Hyacinthe, Quebec for approximately $4.9 million, including the assumption of an existing mortgage of $2.9 million. The transaction closed on December 1, 2005. Currently the property contains a 67 suite retirement residence situated on 5.7 acres of land. The facility, converted from a religious convent in 2004, was fully occupied within nine months of opening. Chartwell will engage its partner Melior Development Inc. ("Melior") to construct an expansion to the residence containing 115 new suites. In addition, the REIT will sever and sell the excess land to its joint development partners Spectrum Seniors Housing Development LP and Le Groupe Melior for the development of another new residence containing approximately 200 suites, to form a "campus of care" concept on the complete property totaling nearly 400 suites.

Chartwell also announced today that Melior, Chartwell's joint venture development and property management company in Quebec, had signed a new partnership with Solim, the real estate division of the Solidarity Fund QFL, to undertake all development activities for seniors' residences on behalf of Solim. Under this new agreement, Melior and Solim will build numerous seniors' residences in the Montreal metropolitan region and surrounding area.

In addition, under the new agreement Melior and Chartwell through its jointly owned management company, CM

Management Limited Partnership, will assume full management of the daily operations of seniors residences currently owned by Solim, as well as any future acquisitions under the new partnership. Melior and Chartwell will immediately have full management responsibilities for three seniors' complexes owned by Solim in the Montreal region totalling approximately 780 suites including Les Habitations du Carrefour in Saint-Laurent (232 units), Les Appartements Square Angus in Rosemont - Petite-Patrie (314 units) and Les Habitations Pelletier in Montreal - Nord (234 units).

"We are very pleased to be expanding our presence in Quebec, one of Canada's strongest retirement markets. The acquisition of Residence Ste Marthe provides a solid opportunity for future internal growth, while the increase in our third-party property management business with Melior will enhance cash flows going forward," commented Stephen Suske, Chartwell's Vice Chair and President.

Chartwell REIT is a growth-oriented investment trust owning and managing a complete spectrum of seniors housing properties. It is currently the second largest participant in the Canadian seniors housing business with a growing presence in the United States. Chartwell will capitalize on the strong demographic trends present in its markets to grow internally and through accretive acquisitions. Chartwell REIT also has an exclusive option to purchase stabilized facilities from Spectrum Seniors Housing Development LP, a 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**

Certain statements contained in this news release may include forward-looking information with respect to Chartwell Seniors Housing Real Estate Investment Trust's operations and future financial results. Such statements are based on current expectations, are subject to a number of uncertainties and risks, and actual results may differ materially from those contained in such statements. These uncertainties and risks include, but are not limited to, availability of resources, competitive pressures, changes in market activity and regulatory requirements. Further information can be found in the disclosure documents filed by Chartwell Seniors Housing Real Estate Investment Trust with the securities regulatory authorities, available at **www.sedar.com**.

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Source: Chartwell Seniors Housing REIT