NEWS RELEASE

Chartwell REIT Acquires Calgary Residence

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MISSISSAUGA, ONTARIO--(CCNMatthews - Sept. 20, 2005) - Chartwell Seniors Housing Real Estate Investment Trust (TSX:CSH.UN) announced today that it would acquire the Eau Clair Retirement Residence located in Calgary, Alberta from CPD LP. The Eau Clair is a 147 unit premier retirement residence and is well located in an upscale downtown neighbourhood of Calgary.

The purchase price will be approximately $27.5 million, including the assumption of a $13 million existing mortgage. The balance of the acquisition, including closing costs, will be funded from refinancing the existing mortgage to $17.5 million and cash on hand. The residence is in its final stages of lease-up and is currently 80% occupied. The vendor has provided an income guarantee for eighteen months.

The property operates as a full service retirement residence offering care services up to and including assisted living. The Calgary Health Region has granted 45 funded Designated Assisted Living ("DAL") beds, as well as Block Funding for the provision of additional care services to the non-DAL residences. Approximately 40% of the facility's revenues are derived from the DAL and Block Funding.

"The Eau Claire acquisition strengthens our presence and expands the level of services we can offer in the high-growth Calgary market," commented Stephen Suske, Vice Chair and President. "While this new facility will be immediately accretive to our distributable income, significant upside will be created as our Western Canadian operational and marketing teams utilize their proven skills and experience to enhance occupancy levels over the next few months."

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