NEWS RELEASE

Chartwell REIT Acquires Two Toronto Area Retirement Homes From Its Joint Venture Development Partner

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MISSISSAUGA, ONTARIO--(CCNMatthews - Aug. 15, 2005) - Chartwell Seniors Housing Real Estate Investment Trust (TSX:CSH.UN) announced today that it would acquire two retirement residences in the Greater Toronto Area from Spectrum Seniors Housing Development LP. Chartwell has an exclusive arrangement to acquire facilities built by Spectrum once they are operational and fully stabilized. Chartwell also has the option to extend mezzanine financing to Spectrum, as well as generate management and other fees until a home is acquired. As of June 30, 2005 Chartwell had the right to acquire interests in more then 4,100 suites in lease-up or under development by Spectrum and the REIT's other joint venture development partners.

Located in Oshawa, Ontario, the Centennial Retirement Residence is a 74-suite facility offering a complete range of services in a region with strong demand for high quality seniors accommodation. The facility was completed in 2002 and is currently 97% occupied. Chartwell will acquire 100% of the property for a total cost of $11.2 million, including the assumption of a $4.9 million mortgage, the repayment of $4.2 million in mezzanine financing to the REIT, the issuance of $1.3 million in Class B Master Care LP units, and the balance in cash. Chartwell has been managing the facility since the REIT's Initial Public Offering in November 2003.

The Regency Retirement Residence, situated in Mississauga, Ontario, is an 80-suite property currently 95% occupied. Opened in September 2003, this modern, high quality facility provides a full range of services in one of Canada's strongest retirement markets. Chartwell will acquire 100% of the property for a total cost of $20.4 million, including the assumption of mortgages totaling $8.9 million, the repayment of mezzanine financing of $1.1 million to the REIT, cash of $1.5 million, and the issuance of $8.9 million in Class B Master Care LP units. Chartwell has been managing the facility under an agreement with Spectrum since the REIT's Initial Public Offering in November 2003.

Management anticipates that the Centennial acquisition will close in mid August and the Regency in early September. The REIT will fund the acquisitions of these two facilities from cash on hand.

"The acquisition of these modern and attractive facilities strengthens our presence in the Greater Toronto Area market, and both will be immediately accretive to our distributable income," commented Stephen Suske, Vice Chair and President. "Our ongoing relationship with Spectrum is allowing us to add brand new and operational facilities to our portfolio while eliminating unitholder exposure to their development and lease-up phases. Spectrum also provides us with a large and growing pipeline of future acquisitions with which we can grow and enhance the quality of our property portfolio."

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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