NEWS RELEASE

Chartwell REIT Announces Intention Not To Participate Further In RRR Strategic Review Process

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MISSISSAUGA, ONTARIO -- (MARKET WIRE) -- 05/12/06 -- Chartwell Seniors Housing Real Estate Investment Trust (TSX:CSH.UN) announced today that it has informed the Special Committee of the Board of Trustees of Retirement Residences Real Estate Investment Trust ("RRR") that Chartwell does not intend to participate further in RRR's current strategic review process.

"With our acquisitions and mezzanine financings already completed or announced to date, and our expanding pipeline of accretive acquisitions and new state-of-the-art developments in both Canada and the United States, we are well on our way to achieving all of our stated goals and objectives," commented Stephen Suske, Vice Chair and President. "Our immediate focus is to execute our proven growth and value enhancing strategies and capitalize on the significant potential to increase the size and scale of our portfolio while enhancing our brand as North America's Most Trusted Name in Seniors Housing."

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, Canada's largest and fastest growing 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, activities and future financial results. Such statements are based on current expectations, are subject to a number of uncertainties and risks, and actual results or events 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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