NEWS RELEASE

Chartwell REIT Announces May 2005 Distribution

2005-05-16

MISSISSAUGA, ONTARIO--(CCNMatthews - May 16, 2005) - Chartwell Seniors Housing Real Estate Investment Trust ("Chartwell REIT")(TSX:CSH.UN) announced today a cash distribution of $0.08875 per Trust Unit for the month of May, 2005. The cash distribution will be payable on June 15, 2005 to Unitholders of record on May 31, 2005.

Unitholders can participate in Chartwell's Unitholder Distribution Reinvestment Plan (DRIP). Eligible investors registered in the DRIP will have their monthly cash distributions used to purchase Trust Units, and will also receive bonus Units equal to 3% of their monthly cash distributions. The Plan offers Unitholders the opportunity to steadily increase their ownership in Chartwell REIT without incurring any commissions or brokerage fees. Complete details of the DRIP are available on Chartwell REIT's website at **www.chartwellreit.ca** or from a Unitholder's investment advisor.

Chartwell REIT (TSX - CSH.UN) is a growth-oriented investment trust owning and managing a complete spectrum of seniors housing properties in selected centres across Canada. Focused solely on the Canadian marketplace, Chartwell REIT is currently the second largest participant in the Canadian seniors housing business. Chartwell REIT 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.

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