NEWS RELEASE

Chartwell REIT Announces New Growth Initiatives

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MISSISSAUGA, ONTARIO--(CCNMatthews - July 24, 2007) - Chartwell Seniors Housing Real Estate Investment Trust (TSX:CSH.UN) announced today approximately $131 million in new acquisitions, mezzanine financings and internal growth projects. With the completion of these transactions, Chartwell's portfolio will grow to 37,672 suites in 269 communities, enhancing its position as Canada's largest owner and operator of seniors housing facilities and the third largest in North America.

Chartwell will be acquiring from Spectrum Seniors Housing Development LP ("Spectrum") and its joint venture development partner a 100% ownership of the Rouge Valley Retirement Residence, an 88 suite community located in Markham, Ontario. This recently-completed and modern facility offers full-care retirement with a complete range of accommodation and service options. It is well-located close to a newly developing upscale residential area northeast of Toronto. Chartwell has been managing the community since its opening in late 2003 and has an in-depth knowledge of the local community and market. Chartwell will pay approximately $19.7 million, with closing expected in late July or early August 2007.

Chartwell also strengthened its presence in Quebec with the acquisition of Chateau Vincent d'Indy, a 96 suite light care and assisted living community located in the affluent Montreal suburb of Outremont. Immediately adjacent to the University of Montreal, the residence has two rooftop terraces with excellent views of the Montreal skyline and Mount Royal. Occupancy currently is stable at greater than 90% with strong demand in the area for quality seniors accommodation. Chartwell paid approximately $15.3 million for the community, which closed yesterday.

Chartwell enhanced its pipeline of future acquisition opportunities in Quebec by extending approximately $4.7 million in mezzanine financing to its joint development partners Spectrum and Le Groupe Melior for the development of the Hull Apartments, a 161 suite independent living community to be situated on land adjacent to

Chartwell's and Melior's existing Residence Notre Dame de Hull Retirement Home. The total project cost will be approximately $26.4 million and the facility is expected to be ready for occupancy in July 2008. In addition to the 10% annual interest on its loan, Chartwell will receive an upfront mezzanine placement fee of approximately $0.7 million.

Furthermore, Chartwell will be adding a 72 suite expansion to its Maison Herron community located in the West Island of Montreal. The total project cost will be approximately $9.4 million. The project is expected to be completed by July 2008 and fully leased up by January 2009.

Chartwell announced today that the acquisition of the Regency Care portfolio closed on July 1, 2007. The portfolio consists of eight new, Class-A LTC communities containing 1,384 beds, and a management company with long term management contracts for six other LTC homes containing 814 beds. The majority of the residences are well-located in high-growth communities situated in and around the Greater Toronto Area. All are 100% occupied with extensive waiting lists.

With the closing of the Regency acquisition, Chartwell will be initiating internal growth projects to add a total of 400 retirement home units at four of the communities located in Markham, Oakville, Oshawa and Kitchener, Ontario. These new retirement home suites will complete the continuum of care at these four communities. The project costs of these internal growth projects will be approximately $60 million. The development process is expected to begin immediately.

Chartwell also announced today that it had sold two smaller, non-strategic properties in British Columbia having a total of 58 suites. Norman Manor and Riverside Manor were sold for total proceeds of approximately $4.4 million, with related mortgages of approximately $3.0 million transferred or repaid.

"We are on pace to produce another record year of growth in 2007. Including these transactions, we will have acquired approximately $885 million so far this year in our continuing efforts to expand and restructure our property portfolio for the benefit of our Unitholders," commented Stephen Suske, Vice Chair and Co-CEO.

Chartwell is a growth-oriented investment trust owning and managing a complete spectrum of seniors housing communities. It is the largest participant in the Canadian seniors housing business and the third largest in North America. Chartwell will capitalize on the strong demographic trends present in its markets to grow internally and through accretive acquisitions. Chartwell also has an exclusive option to purchase stabilized communities from Spectrum, 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 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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