NEWS RELEASE

Chartwell REIT Completes Acquisition of U.S. Retirement Home Portfolio

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MISSISSAUGA, ONTARIO--(CCNMatthews - Aug. 19, 2005) - Chartwell Seniors Housing Real Estate Investment Trust (TSX:CSH.UN) ("Chartwell") announced today that, through a U.S. subsidiary jointly owned by Chartwell and ING Real Estate Australia Pty Limited, it has completed the previously announced acquisition of a portfolio of high quality retirement residences in Denver, Colorado and Temple, Texas totaling 1,043 suites. The total purchase price of approximately US$232 million will provide an estimated unleveraged capitalization rate of approximately 7.7%. Non-recourse mortgage financing of approximately US$160 million with an interest rate of 5.41% has been placed on the properties. Chartwell and ING each acquired a 50% interest in the portfolio.

The new US portfolio will be managed by a joint venture seniors housing management entity formed by Chartwell and Horizon Bay Management LLC, a large and respected owner and operator of seniors residential facilities across the United States. The new entity, Horizon Bay Chartwell LLC, will be 50% owned by each of the two partners.

With the completion of this transaction, Chartwell's total portfolio, including managed properties and those under development, will increase to 16,743 suites in 143 facilities. Chartwell's new U.S. properties will currently account for approximately 6% of the total portfolio, enhancing the REIT's geographic diversification. Approximately 70% of the total portfolio will be in the independent living / light care sector of the business.

"With this transaction, we have extended our reach into the strong and growing US seniors housing market, aligned ourselves with a respected and proven seniors housing management team, and established a relationship with an equity partner with global access to deep and competitive sources of capital," commented Stephen Suske, Chartwell's Vice Chair and President. "Going forward, we will leverage these key relationships to continue growing in the US retirement home market."

Additional information on Chartwell's US strategy, partners and markets can be obtained in the Investor Relations section of Chartwell's web site at **www.chartwellreit.ca**.

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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