NEWS RELEASE

Chartwell REIT Enhances Presence in Northern Ontario

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MISSISSAUGA, ONTARIO--(CCNMatthews - June 21, 2005) - Chartwell Seniors Housing Real Estate Investment Trust (TSX:CSH.UN) announced today that it had acquired the Collegiate Heights Retirement Residence from its development partner Spectrum Seniors Housing Development LP. The facility is a 71-suite residence situated overlooking the city of Sault Ste. Marie and the Michigan Bridge spanning the St. Mary River. Constructed in 2002, the brand new residence is currently 96% occupied. Chartwell will also be acquiring land adjacent to the facility for future expansion. Chartwell has been managing the facility under an agreement with Spectrum since The REIT's IPO in November 2003.

Chartwell will pay $10.6 million for the facility comprised of $5.5 million in cash, the assumption of the existing construction financing of approximately $5.3 million, the repayment of approximately $4 million in outstanding mezzanine financing, and the issuance of $.8 million in Class B Master Care LP units. The REIT will fund the closing of this acquisition from cash on hand or its available lines of credit.

This transaction is the third facility purchased from Spectrum. 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 March 31, 2005 the REIT had access to 4,005 suites under development by Spectrum and other third-party developers.

"We are pleased to be acquiring this brand new facility and strengthening our presence in the strong Northern Ontario market," commented Stephen Suske, Vice Chair and President. "The residence is an excellent fit with our other homes in the region, and we expect to realize further economies of scale and cost synergies as we continue to grow in the area."

Chartwell REIT is a growth-oriented investment trust owning and managing a complete spectrum of seniors housing properties, and 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.

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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Source: Chartwell Seniors Housing REIT