NEWS RELEASE

Chartwell Seniors Housing REIT to Acquire Ownership Interests in Four Mezzanine Financed Retirement Communities

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MISSISSAUGA, ONTARIO--(Marketwire - Feb. 17, 2009) - Chartwell Seniors Housing Real Estate Investment Trust (TSX:CSH.UN) announced today the acquisition of 50% ownership interests in two new retirement communities in British Columbia, and its agreement to purchase 50% ownership interests in two additional new retirement homes in Ontario, all pursuant to its mezzanine financing program with Spectrum Seniors Holdings LP ("Spectrum").

Chartwell acquired 50% interests from Spectrum in the 97-suite Chartwell Select Churchill House situated in North Vancouver, B.C. and in the 103-suite Chatsworth Retirement Suites and Bungalows situated in Kelowna, B.C. Chartwell has been managing the properties since they opened in October and June 2006, respectively. Average occupancy for the two properties at January 31, 2009 was 95%. The aggregate purchase price for the two B.C. properties, including Chartwell's 5% discount, was approximately $21.5 million, payment for which consisted of the assumption of $15.4 million in mortgages, the repayment of $2.4 million in related mezzanine loans, $0.7 million of working capital adjustments, with the balance applied to outstanding accounts receivable from Spectrum.

Chartwell has also agreed to purchase Spectrum's 50% interest in two additional new Ontario properties, with an anticipated closing in late February, 2009. The two properties consist of the 138-suite Chartwell Select Riverside Retirement Residence situated in London, Ontario, and the 117-suite Chartwell Select Pickering City Centre situated in Pickering, Ontario. Chartwell has been managing these Ontario properties since they opened in June 2006 and August 2007, respectively. The average occupancy for the two properties at January 31, 2009 was 91.3%. Subject to working capital adjustments, the aggregate purchase price for the two Ontario properties, including Chartwell's 5% discount, will be approximately $28.6 million, which is expected to be settled by the assumption of $20.3 million in

existing mortgages, the repayment of $3.2 million of related mezzanine loans, cash payment to Spectrum of $0.7 million with the balance applied to outstanding accounts receivable from Spectrum.

Chartwell's independent Directors oversaw Chartwell's negotiations with Spectrum, which were conducted by third party consultants and professionals reporting to the independent Directors.

"The properties being acquired are brand new, state-of-the-art facilities and have been purchased on favourable terms. These accretive acquisitions are being done with minimal cash required from Chartwell, and a substantial portion of the proceeds of sale is being used to reduce debt owing from Spectrum. Chartwell continues to focus on operations but will, in limited circumstances, consider prudent acquisition opportunities that fit within our long-term strategy, that are accretive, and that are in the best interests of our Unitholders," stated Terry Whalen, Chief Investment Officer.

Chartwell also announced today that it has agreed to a limited waiver of its option to purchase additional seniors housing facilities from Spectrum in order to facilitate the potential sale of such facilities by Spectrum to other third parties. Chartwell will be entitled to 5% of the purchase price, net of transaction costs, of any such properties that are sold to third parties pursuant to Chartwell's limited waiver.

Chartwell is an investment trust focused on generating sustainable, stable and growing cash distributions from 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 maximize the value of its existing portfolio of seniors housing facilities, and prudently avail itself of opportunities to grow internally and through accretive acquisitions.

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.

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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