NEWS RELEASE

Chartwell to Acquire Remaining 50% Interest in 15-Property Portfolio in the U.S.

2011-07-18

MISSISSAUGA, ONTARIO--(Marketwire - July 18, 2011) - Chartwell Seniors Housing Real Estate Investment Trust (TSX:CSH.UN) ("Chartwell") announced today that it has entered into an agreement to acquire 50% of a portfolio of primarily independent supportive living seniors communities in the United States from ING Real Estate Community Living Group ("ING"). The portfolio consists of 15 communities (2,947 suites) located across nine U.S. states. Occupancy at the properties was approximately 86% at June 30, 2011. The purchase price for the 50% interest will be approximately $169.0 million, net of a debt mark-to-market adjustment of $2.5 million. As part of the transaction, Chartwell will assume debt with an outstanding balance of $135.8 million as of June 30, 2011, bearing a weighted average interest rate of 6.27% with a weighted average term to maturity of 4.5 years. The balance of the purchase price, subject to working capital adjustments, will be paid in cash utilizing Chartwell's credit facility. Closing of the transaction, subject to regulatory and lenders' approvals, is expected by October 2011, after which Chartwell will own 100% of these properties.

"This transaction is in line with our strategy to simplify and consolidate our investments in the United States and will allow us to take advantage of the improving fundamentals in the U.S. seniors housing business resulting from improving customer demand and a significant reduction in new construction starts," commented Brent Binions, Chartwell's President and CEO. "With full ownership of these properties, we will have enhanced flexibility with respect to our U.S. portfolio."

Chartwell also renewed its operating credit facility for an additional 364-day term expiring on June 24, 2012. The credit facility has been increased to $85 million and the amounts outstanding will bear interest at prime plus 1.65% or bankers' acceptance rate plus 2.65%.

Chartwell also announced today that effective May 31, 2011, it had acquired the remaining 50% interest in the Chatsworth Retirement Suites from its joint venture partner. Located in Kelowna, British Columbia, this 103-suite property was fully occupied as at June 30, 2011. The purchase price for the outstanding 50% interest was approximately $10.4 million and was satisfied by the assumption of a $5.8 million mortgage bearing an interest rate of 4.73% maturing in March 2020, the discharge of a $1.1 million mezzanine loan and a $0.2 million settlement of other amounts due to Chartwell by the vendor, with the balance paid in cash from Chartwell's credit facility.

Chartwell is a real estate investment trust which indirectly owns and operates a complete range of seniors housing communities from independent supportive living through assisted living to long term care. It is one of the largest participants in the seniors housing business in North America. Chartwell's aim is to capitalize on the strong demographic trends present in its markets to maximize the value of its existing portfolio of seniors housing communities, and prudently avail itself of opportunities to grow internally and through accretive acquisitions.

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**.

Forward Looking Information

This press release contains forward-looking information that reflects the current expectations, estimates and projections of management about the future results, performance, achievements, prospects or opportunities for Chartwell and the seniors housing industry. The words "plans", "expects", "does not expect", "is expected", "budget", "scheduled", "estimates", "intends", "anticipates", "does not anticipate", "projects", "believes" or variations of such words and phrases or statements to the effect that certain actions, events or results "may", "will", "could", "would", "might", "occur", "be achieved" or "continue" and similar expressions identify forward-looking statements. Forward-looking statements are based upon a number of assumptions and are subject to a number of known and unknown risks and uncertainties, many of which are beyond our control, and that could cause actual results to differ materially from those that are disclosed in or implied by such forward-looking statements.

While we anticipate that subsequent events and developments may cause our views to change, we do not have an intention to update this forward-looking information, except as required by applicable securities laws. This forward-looking information represents our views as of the date of this press release and such information should not be relied upon as representing our views as of any date subsequent to the date of this document. We have attempted to identify important factors that could cause actual results, performance or achievements to vary from those current expectations or estimated expressed or implied by the forward-looking information. However, there may be other factors that cause results, performance or achievements not to be as expected or estimated and that could cause actual results, performance or achievements to differ materially from current expectations. There can

be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those expected or estimated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. These factors are not intended to represent a complete list of the factors that could affect us. See "Risks and Uncertainties" in our 2010 MD&A and risk factors highlighted in materials filed with the securities regulatory authorities in Canada from time to time, including but not limited to our most recent annual information form.

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