NEWS RELEASE

RioCan REIT, Chartwell Seniors Housing REIT and Spectrum Seniors Housing Development Announce Creation of Joint Venture for Redevelopment and Intensification of GTA Property

2006-12-14

TORONTO, ONTARIO--(CCNMatthews - Dec. 14, 2006) - RioCan Real Estate Investment Trust ("RioCan")(TSX:REI.UN) today announced that it has entered into a firm agreement with Spectrum Seniors Housing Development LP ("Spectrum") for the purpose of creating a joint venture. The objective of the joint venture will be to develop a mixed-use building at RioCan's existing retail facility located at the corner of Lakeshore Road West and Clarkson Road in Mississauga, Ontario. Upon completion of the rezoning process, Chartwell Seniors Housing REIT ("Chartwell")(TSX:CSH.UN) will manage the project and receive its customary development and management fees with respect to the project. In addition, Chartwell will, upon approval of its Investment Committee, provide mezzanine financing to Spectrum under the terms of its existing Development Agreement with Spectrum.

The current centre will be redeveloped to accommodate a mixed-use building featuring approximately 144 seniors housing units, along with approximately 14,000 square feet of retail street-front space. The project will be co-developed by RioCan and Spectrum. Upon completion and stabilization, Chartwell will have the option to acquire a 100% ownership interest in the property.

Edward Sonshine, Q.C., President and CEO of RioCan, said, "RioCan is pleased to open a relationship with Chartwell and Spectrum on this project. We will together review other possible opportunities within RioCan's portfolio. This redevelopment is in keeping with RioCan's land use intensification program, whereby we redevelop an existing property to maximize its value. It is evidence of the value of owning properties in the major markets of Canada as well as RioCan's ability to move outside the box in creating value for our unitholders."

Robert Ezer, CEO of Chartwell said, "Chartwell and Spectrum are excited about the opportunity to work with RioCan for the first time. This is consistent with our approach to establish key joint venture relationships to build brand new, state of the art retirement homes across the country. We look forward to exploring other potential locations with RioCan."

About RioCan

RioCan is Canada's largest real estate investment trust with a total market capitalization of approximately $8 billion. It owns and manages Canada's largest portfolio of shopping centres with ownership interests in a portfolio of 204 retail properties, including 8 under development, containing an aggregate of over 50.7 million square feet. For further information, please refer to RioCan's website at **www.riocan.com**.

About Chartwell Seniors Housing REIT

Chartwell REIT is a growth-oriented investment trust owning and managing a complete spectrum of seniors housing properties. It is currently the 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, Canada's largest and fastest growing seniors housing development company.

About Spectrum Seniors Housing Development LP

Spectrum is a well capitalized, privately held seniors housing developer active in all major regions of Canada. With close to 50 seniors housing facilities in various stages of development it is Canada's largest developer in the sector. Through its development agreement with Chartwell REIT, Spectrum is the development arm of the REIT. This agreement, along with Spectrum's substantial capital, insulates Chartwell from any development risk while giving Chartwell the benefits of a pipeline of new projects designed to its high standards.

FOR FURTHER INFORMATION PLEASE CONTACT:
RioCan REIT
Edward Sonshine, Q.C.
President and CEO
(416) 866-3018

Chartwell REIT
Stephen Suske

Vice Chair and President
(905) 501-4701

Spectrum
Peter Gaskill
CEO
(604) 648-2273

Source: Chartwell Seniors Housing REIT

Contact: RioCan REIT Edward Sonshine, Q.C. President and CEO (416) 866-3018 Chartwell REIT Stephen Suske Vice Chair and President (905) 501-4701 Spectrum Peter Gaskill CEO (604) 648-2273