



Supplemental Operating and Financial Data  
March 31, 2011  
*(Unaudited)*



Bradenton, FL  
60 licensed beds/22 units

# Table of Contents

<b>Company Information</b>	.....	<b>3</b>
<b>Additional Information</b>	.....	<b>4</b>
<b>Forward-Looking Statements</b>	.....	<b>5</b>
<b>Non-GAAP Information</b>	.....	<b>5</b>
<b>Acquisitions</b>	.....	<b>6</b>
<b>Real Estate Portfolio Summary</b>	.....	<b>7</b>
<b>Real Estate Portfolio Diversification</b>	.....	<b>8-10</b>
<b>Top Ten Operators - Owned Portfolio</b>	.....	<b>11</b>
<b>Market Capitalization</b>	.....	<b>12</b>
<b>Proforma Market Capitalization</b>	.....	<b>13</b>
<b>Lease &amp; Mortgage Loan Receivable Maturity</b>	.....	<b>14</b>
<b>Debt Maturity</b>	.....	<b>15</b>
<b>Financial Data Summary</b>	.....	<b>16-17</b>
<b>Funds from Operations</b>	.....	<b>18</b>



# Company Information



## Company

Founded in 1992, LTC Properties, Inc. is a self-administered real estate investment trust that primarily invests in senior housing and long-term care properties through facility lease transactions, mortgage loans, and other investments. Our primary objectives are to sustain and enhance stockholder equity value and provide current income for distribution to stockholders through real estate investments in long-term care properties and other health care related properties managed by experienced operators. To meet these objectives, we attempt to invest in properties that provide opportunity for additional value and current returns to our stockholders and diversify our investment portfolio by geographic location, operator, and form of investment. For more information on LTC Properties, Inc., visit the Company's website at [www.LTCProperties.com](http://www.LTCProperties.com).

## Board of Directors

**Andre Dimitriadis**  
Executive Chairman

**Wendy Simpson**

**Edmund King**

**Timothy Triche, MD**

**Boyd Hendrickson**  
Lead Director

**Devra Shapiro**

## Management

**Andre Dimitriadis**  
Executive Chairman

**Wendy Simpson**  
Chief Executive Officer and President

**Pam Kessler**  
Executive Vice President and Chief Financial Officer

**Clint Malin**  
Senior Vice President and Chief Investment Officer

**Andy Stokes**  
Senior Vice President, Marketing & Strategic Planning

## Contact Information

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## Additional Information

### Analyst Coverage

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Richard Anderson

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John Roberts

**JMP Securities**

Peter Martin

**KeyBanc Capital Markets**

Karin Ford

**Stifel, Nicolaus & Company, Incorporated**

Jerry Doctrow

Any opinions, estimates, or forecasts regarding LTC's performance made by the analysts listed above do not represent the opinions, estimates, or forecasts of LTC or its management.

## **Forward-Looking Statements**

This supplemental information contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, adopted pursuant to the Private Securities Litigation Reform Act of 1995. Statements that are not purely historical may be forward-looking. You can identify some of the forward-looking statements by their use of forward-looking words, such as “believes,” “expects,” “may,” “will,” “should,” “seeks,” “approximately,” “intends,” “plans,” “estimates” or “anticipates,” or the negative of those words or similar words. Forward-looking statements involve inherent risks and uncertainties regarding events, conditions and financial trends that may affect our future plans of operation, business strategy, results of operations and financial position. A number of important factors could cause actual results to differ materially from those included within or contemplated by such forward-looking statements, including, but not limited to, the status of the economy, the status of capital markets (including prevailing interest rates), and our access to capital; the income and returns available from investments in health care related real estate, the ability of our borrowers and lessees to meet their obligations to us, our reliance on a few major operators; competition faced by our borrowers and lessees within the health care industry, regulation of the health care industry by federal, state and local governments, (including as a result of the Patient Protection and Affordable Care Act of 2010 and the Health Care and Education Reconciliation Act of 2010), changes in Medicare and Medicaid reimbursement amounts (including due to federal and state budget constraints), compliance with and changes to regulations and payment policies within the health care industry, debt that we may incur and changes in financing terms, our ability to continue to qualify as a real estate investment trust, the relative illiquidity of our real estate investments, potential limitations on our remedies when mortgage loans default, and risks and liabilities in connection with properties owned through limited liability companies and partnerships. For a discussion of these and other factors that could cause actual results to differ from those contemplated in the forward-looking statements, please see the discussion under “Risk Factors” and other information contained in our Annual Report on Form 10-K for the fiscal year ended December 31, 2010 and in our publicly available filings with the Securities and Exchange Commission. We do not undertake any responsibility to update or revise any of these factors or to announce publicly any revisions to forward-looking statements, whether as a result of new information, future events or otherwise.

## **Non-GAAP Information**

This supplemental information contains certain non-GAAP information including EBITDA, normalized EBITDA, FFO, normalized FFO, normalized interest coverage ratio, and normalized fixed charges coverage ratio. A reconciliation of this non-GAAP information is provided on pages 17-18 of this supplemental information, and additional information is available under the “Non-GAAP Financial Measures” subsection under the “Selected Financial Data” section of our website at [www.LTCProperties.com](http://www.LTCProperties.com).

# Acquisitions: Year 2010 and 1<sup>st</sup> Quarter 2011

(dollars in thousands)

DATE	# OF PROPERTIES	ASSET CLASS <sup>(3)</sup>	# BEDS/UNITS	LOCATION	DATE OF CONSTRUCTION	PURCHASE PRICE	ANNUAL GAAP REVENUE	GAAP Lease Yield
01/29/10	1	SNF	166	TX	1987-1988 <sup>(2)</sup>	\$ 7,850	\$ 892	11.4%
02/22/10	1	SNF	120	FL	1988	9,000	997	11.1%
06/01/10	2	SNF/OTHER <sup>(1)</sup>	227 beds/93 units	VA	1970-2005	22,000	2,420	11.0%
10/29/10	4	ALF	241	MS & FL	1999-2004	26,900	2,952	11.0%
11/30/10	2	SNF	292	TX	1988-2009	28,500	2,919	10.2%
<b>Total 2010</b>	<b>10</b>		<b>805 beds/334 units</b>			<b>\$ 94,250</b>		
02/28/11	2	OTHER	118 beds/93 units	SC	1965-2001	\$ 11,450	\$ 1,162	10.1%
03/09/11	4	SNF	524	TX	2007-2008	50,841 <sup>(4)</sup>	4,319	8.5% <sup>(4)</sup>
<b>Total 2011</b>	<b>6</b>		<b>642 beds/93 units</b>			<b>\$ 62,291</b>		
<b>Total</b>	<b>16</b>		<b>1,447 beds/427 units</b>			<b>\$ 156,541</b>		

(1) One property is a SNF and the other provides a continuum of care comprised of independent living, assisted living, and skilled nursing.

(2) Renovation in 1991.

(3) Other senior housing consists of independent living properties and properties providing any combination of skilled nursing, assisted living and/or independent living services.

(4) The purchase price of \$50,841 includes \$41,000 of cash and \$9,841 of earn-out liabilities. Excluding the \$9,841 earn-out liabilities GAAP lease yield is 10.5%.



Newberry, SC  
20 licensed beds/93 units



Crowley, TX  
120 licensed beds

## Real Estate Portfolio Snapshot

(dollars in thousands)

Type of Property	Three Months Ended									
	March 31, 2011									
	Gross	% of	Rental	Interest	% of	No. of	No. of	No. of	No. of	Investment
	Investments	Investments	Income <sup>(1)</sup>	Income <sup>(2)</sup>	Revenues <sup>(3)</sup>	Props	SNF Beds <sup>(4)</sup>	ALF Units <sup>(4)</sup>	ILF Units <sup>(4)</sup>	per Bed/Unit
Skilled Nursing	\$349,700	47.4%	\$7,875	\$905	44.3%	93	10,736	-	-	\$32.57
Assisted Living	308,702	41.8%	8,279	657	45.0%	102	-	4,365	-	\$70.72
Other Senior Housing <sup>(5)</sup>	67,062	9.1%	1,724	94	9.2%	14	913	330	423	\$40.25
Schools <sup>(6)</sup>	12,170	1.7%	304	-	1.5%	2	-	-	-	
<b>Total</b>	<b>\$737,634</b>	<b>100.0%</b>	<b>\$18,182</b>	<b>\$1,656</b>	<b>100.0%</b>	<b>211</b>	<b>11,649</b>	<b>4,695</b>	<b>423</b>	

(1) Includes rental income from properties classified as held-for-sale.

(2) Includes interest income from mortgage loans.

(3) Includes rental income and interest income from mortgage loans (continuing and discontinued operations).

(4) Based on licensed beds/units which may differ from the number of beds/units in service at any given time.

(5) Includes independent living properties and properties providing any combination of skilled nursing, assisted living and/or independent living services.

(6) During the year end December 31, 2010, we acquired a school property located in Minnesota via deed in lieu of foreclosure as a result of the borrower filing for Chapter 7 bankruptcy. The school property has been classified as held-for-sale and the Company is actively marketing to sell this school property.

## Portfolio Statistics <sup>(1)</sup>

Owned Properties	Occupancy <sup>(2)</sup>		EBITDAR Coverage <sup>(3)</sup>		EBITDARM Coverage <sup>(4)</sup>	
	4Q10	3Q10	4Q10	3Q10	4Q10	3Q10
Assisted Living <sup>(5)</sup>	77.7%	76.6%	1.31	1.33	1.53	1.55
Assisted Living <sup>(6)</sup>	88.4%	88.0%	1.38	1.44	1.63	1.70
Skilled Nursing	79.3%	79.5%	2.06	1.99	2.79	2.74
Other Senior Housing	90.1%	89.8%	1.56	1.52	2.06	2.02

(1) Based on the September 30, 2010 and December 31, 2010 property level financial statements we received from our operators which are unaudited and have not been independently verified by us.

(2) Based on licensed beds/units which may differ from the number of beds/units in service at any given time.

(3) Earnings before interest, taxes, depreciation, amortization, and rent. Management fees are imputed at 5% of revenues.

(4) Earnings before interest, taxes, depreciation, amortization, rent, and management fees.

(5) Includes properties leased to Assisted Living Concepts, Inc. (ALC)

(6) Excludes properties leased to Assisted Living Concepts, Inc. (ALC)

## Non-Cash Rental Revenue Components

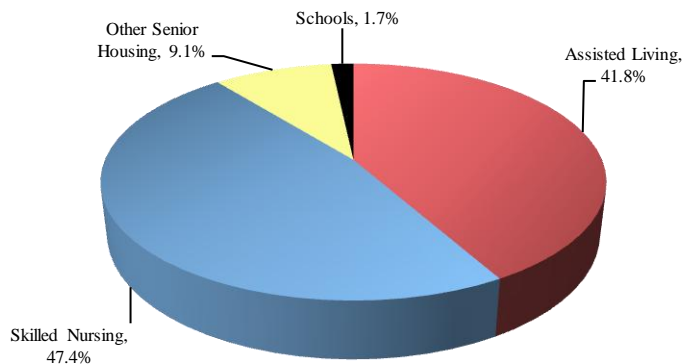
(amounts in thousands)

	1Q11	2Q11 <sup>(1)</sup>	3Q11 <sup>(1)</sup>	4Q11 <sup>(1)</sup>	1Q12 <sup>(1)</sup>
Straight-line rent	\$ 773	\$ 884	\$ 835	\$ 780	\$ 547
Amort. Lease break fee	(167)	(167)	(167)	(167)	(167)
Net	\$ 606	\$ 717	\$ 668	\$ 613	\$ 380

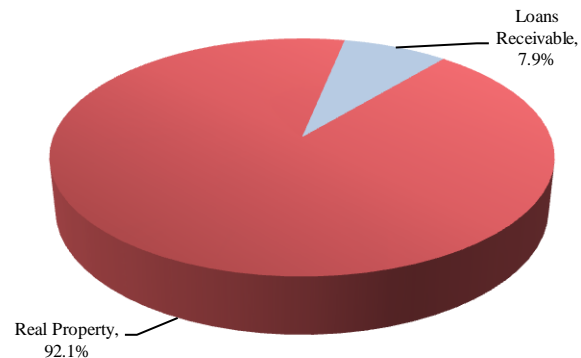
(1) Projections based on current in-place leases and do not assume any increase in straight-line rent from additional acquisitions. Also excludes additional rent from the earn-out liability payment.

## Owned and Loan Portfolio – Property and Asset Type Diversification

**Gross Asset Value By Property Type**

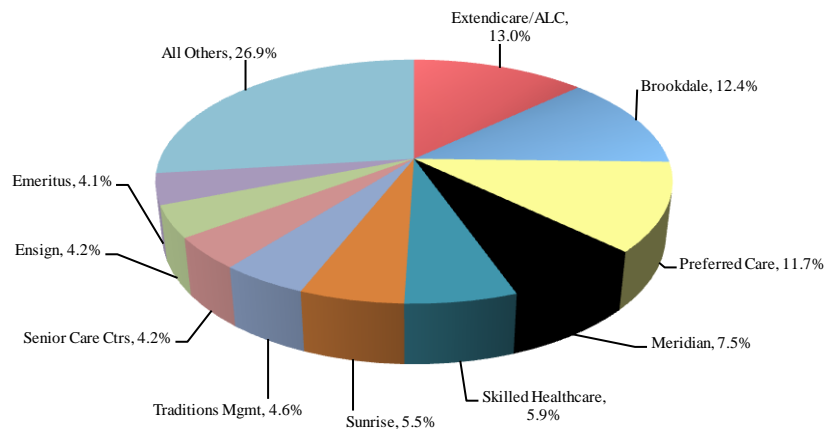


**Gross Asset Value By Asset Type**



## Owned Portfolio – Operator Diversification

**Gross Asset Value By Operator**





# Real Estate Portfolio Diversification

(dollars in thousands)

## Owned and Loan Portfolio – Property and Asset Type Diversification

Property Type	# of Properties	Gross Investment	%	Three Months Ended March 31, 2011	
				Revenue <sup>(1)</sup>	%
Skilled Nursing	93	\$ 349,700	47.4%	\$ 8,780	44.3%
Assisted Living	102	308,702	41.8%	8,936	45.0%
Other Senior Housing	14	67,062	9.1%	1,818	9.2%
Schools	2	12,170	1.7%	304	1.5%
<b>Total</b>	<b>211</b>	<b>\$ 737,634</b>	<b>100.0%</b>	<b>\$ 19,838</b>	<b>100.0%</b>

Asset Type	Gross Investment	%
Real Property	\$ 679,616	92.1%
Loans Receivable	58,018	7.9%
<b>Total</b>	<b>\$ 737,634</b>	<b>100.0%</b>

(1) Includes rental income and interest income from mortgage loans (continuing and discontinued operations).

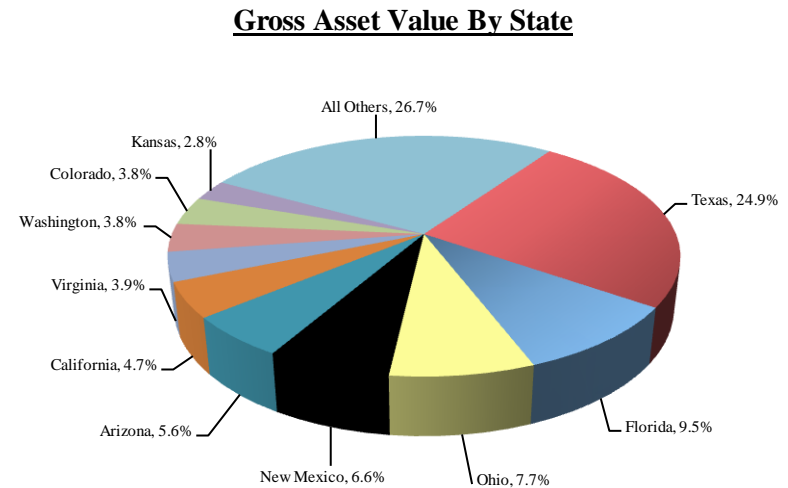
## Owned Portfolio – Operator Diversification

Operator	# of Props	Gross Investment	%	Annualized GAAP Rent	%
Extencicare REIT and Assisted Living Concepts, Inc	37	\$ 88,034	13.0%	\$ 10,963	14.1%
Brookdale Senior Living Communities, Inc.	35	84,210	12.4%	10,523	13.6%
Preferred Care, Inc.	26	79,797	11.7%	10,155	13.1%
Meridian Senior Properties Fund II, LP	4	50,841	7.5%	4,319	5.6%
Skilled Healthcare Group, Inc.	5	40,270	5.9%	4,501	5.8%
Sunrise Senior Living	6	37,659	5.5%	4,614	6.0%
Traditions Management	3	31,000	4.6%	3,417	4.4%
Senior Care Centers, LLC	2	28,500	4.2%	2,919	3.8%
The Ensign Group, Inc.	3	28,496	4.2%	1,596	2.1%
Emeritus Corporation	2	28,070	4.1%	2,726	3.5%
All Others	45	182,739	26.9%	21,766	28.0%
<b>Total</b>	<b>168</b>	<b>\$ 679,616</b>	<b>100.0%</b>	<b>\$ 77,499</b>	<b>100.0%</b>

# Real Estate Portfolio Diversification

## State Diversification – By Property Type

State <sup>(1)</sup>	# of Props	Gross Investment	%
Texas	59	\$ 183,600	24.9%
Florida	18	70,406	9.5%
Ohio	17	56,804	7.7%
New Mexico	7	48,876	6.6%
Arizona	7	41,212	5.6%
California	5	34,877	4.7%
Virginia	4	29,052	3.9%
Washington	10	28,038	3.8%
Colorado	10	27,806	3.8%
Kansas	7	20,554	2.8%
All Others	67	196,409	26.7%
<b>Total</b>	<b>211</b>	<b>\$ 737,634</b>	<b>100.0%</b>



State <sup>(1)</sup>	ALF		SNF		OTH		School		Gross Investment
Texas	\$ 32,369	10.5%	\$ 142,606	40.8%	\$ 8,625	12.9%	\$ -	0.0%	\$ 183,600
Florida	36,625	11.9%	20,361	5.8%	13,420	20.0%	-	0.0%	70,406
Ohio	44,647	14.5%	12,157	3.5%	-	0.0%	-	0.0%	56,804
New Mexico	-	0.0%	48,876	14.0%	-	0.0%	-	0.0%	48,876
Arizona	5,120	1.7%	36,092	10.3%	-	0.0%	-	0.0%	41,212
California	28,070	9.1%	3,556	1.0%	3,251	4.8%	-	0.0%	34,877
Virginia	-	0.0%	15,713	4.5%	13,339	19.9%	-	0.0%	29,052
Washington	19,080	6.2%	8,958	2.6%	-	0.0%	-	0.0%	28,038
Colorado	18,402	6.0%	7,397	2.1%	2,007	3.0%	-	0.0%	27,806
Kansas	6,733	2.2%	13,821	4.0%	-	0.0%	-	0.0%	20,554
All Others	117,656	37.9%	40,163	11.4%	26,420	39.4%	12,170	100.0%	196,409
<b>Total</b>	<b>\$ 308,702</b>	<b>100.0%</b>	<b>\$ 349,700</b>	<b>100.0%</b>	<b>\$ 67,062</b>	<b>100.0%</b>	<b>\$ 12,170</b>	<b>100.0%</b>	<b>\$ 737,634</b>

(1) Due to master leases with properties in multiple states, revenue by state is not available.

**Extencare REIT and Assisted Living Concepts, Inc** (TSX: EXE.UN) operates 265 senior care facilities in Canada and in the United States with the ability to serve approximately 29,400 residents. EHSI offers a continuum of health care services, including nursing care, assisted living and related medical specialty services, such as sub-acute care and rehabilitative therapy on an inpatient and outpatient basis. ALC (NYSE: ALC) and its subsidiaries operate 211 residences which include licensed assisted living and senior living residences with capacity for 9,305 residents in 20 states. As of March 31, 2011, the LTC portfolio consisted of 37 assisted living properties in 10 states with a gross investment balance of \$88.0 million.

**Brookdale Senior Living, Inc.** (NYSE: BKD) operates 559 senior living and retirement communities with the ability to serve approximately 51,300 residents. As of March 31, 2011, the LTC portfolio consisted of 35 assisted living properties in 8 states with a gross investment balance of \$84.2 million.

**Preferred Care, Inc.** (Privately held) operates 69 facilities comprised of skilled nursing, assisted living, and independent living facilities, as well as 5 specialty care facilities, in 9 states. As of March 31, 2011, the LTC portfolio consisted of 24 skilled nursing and 2 other senior housing properties in 6 states with a gross investment balance of \$79.8 million. They also operate 1 skilled nursing facility under a sub-lease with another lessee we have which is not included in the Preferred Care rental revenue.

**Meridian Senior Properties Fund II, LP** (Privately held) acquires and develops independent living, assisted living and skilled nursing facilities and (owns or leases) 10 skilled nursing facilities and one assisted living facility, all located in Texas. They are currently developing two new skilled nursing facilities. As of March 31, 2011, the LTC portfolio consisted of 4 skilled nursing properties in 1 state with a gross investment balance of \$50.8 million which includes \$9.8 million of earn-out liabilities.

**Skilled Healthcare Group** (NYSE: SKH) is a holding company with subsidiaries that operate skilled nursing facilities, assisted living facilities, a rehabilitation therapy business, and a hospice business. Skilled Healthcare operates in 7 states, including 78 skilled nursing facilities and 22 assisted living facilities. As of March 31, 2011, the LTC portfolio consisted of 5 skilled nursing properties in 1 state with a gross investment balance of \$40.3 million.

**Sunrise Senior Living** (NYSE: SRZ) operates 319 communities in the United States, Canada and the United Kingdom, with a total capacity of approximately 31,200 units. Sunrise offers a full range of personalized senior living services, including independent living, assisted living, care for individuals with Alzheimer's disease and other forms of memory loss, as well as Nursing and Rehabilitative services. As of March 31, 2011, the LTC portfolio consisted of 6 assisted living properties in 2 states with a gross investment balance of \$37.7 million.

**Traditions Management** (Privately held) operates 12 independent living, assisted living, and skilled nursing facilities in 5 states. As of March 31, 2011, the LTC portfolio consisted of 2 skilled nursing and 1 other senior housing properties in 2 states with a gross investment balance of \$31.0 million. They also operate 2 skilled nursing properties under a sub-lease with another lessee we have which is not included in the Traditions Management rental revenue.

**Senior Care Centers, LLC** (Privately held) provides skilled nursing care, long-term care, Alzheimer's care, assisted living, and independent living services in over 20 facilities exclusively in Texas. As of March 31, 2011, the LTC portfolio consisted of 2 skilled nursing properties in 1 state with a gross investment balance of \$28.5 million. They also manage the Meridian properties under a management agreement.

**The Ensign Group** (NASDAQ: ENSG) provides skilled nursing and assisted living services, physical, occupational and speech therapies, home health and hospice services, and other rehabilitative and healthcare services for both long-term residents and short-stay rehabilitation patients at 82 facilities in 7 states. As of March 31, 2011, the LTC portfolio consisted of 3 skilled nursing properties in 1 state with a gross investment balance of \$28.5 million.

**Emeritus Senior Living** (NYSE:ESC) is a national public provider of independent living, assisted living, and Alzheimer's services. The company operates 479 communities representing capacity for approximately 49,700 residents in 42 states. As of March 31, 2011, the LTC portfolio consisted of 2 assisted living properties in 1 state with a gross investment balance of \$28.1 million.

## Capitalization at March 31, 2011

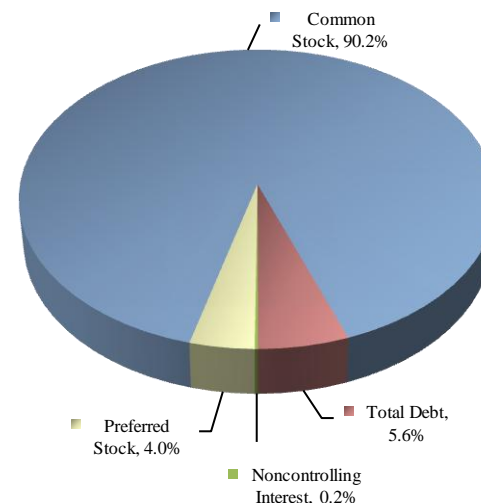
(In thousands, except per share amounts and number of shares)

	At March 31, 2011		Capitalization
<b>Debt</b>			
Bank Borrowing <sup>(1)</sup>		\$ -	
Senior Unsecured Notes		50,000	
Bonds Payable		3,200	
Total Debt		<u>53,200</u>	5.6%
<b>Equity</b>			
	March 31, 2011		
	<u>No. of Shares</u>	<u>Closing</u>	
Preferred Stock -Series C <sup>(2)</sup>			
Common Stock <sup>(3)</sup>	30,334,574	\$ 28.34	
Noncontrolling interest		1,962	
Total Equity		<u>900,144</u>	94.4%
Market Capitalization		<u>953,344</u>	100.0%
Less: Cash Balance		(23,390)	
<b>Enterprise Value</b>		<u><b>\$ 929,954</b></u>	

**Debt to Enterprise Value** 5.7%

**Debt & Preferred to Enterprise Value** 9.9%

## Capitalization



(1) The Company had a \$110 million revolving commitment with a \$10 million accordion feature. Subsequent to March 31, 2011, we entered into a new \$210 million revolving commitment with a \$40 million accordion feature, with no scheduled maturities other than the maturity date of April 18, 2015.

(2) Non-traded shares. Two million shares outstanding with a face rate of 8.5% and a liquidation value of \$19.25, convertible into common stock on a one-for-one basis. Our Preferred C's are not redeemable by us.

(3) Traded on NYSE.

## Proforma Capitalization at March 31, 2011

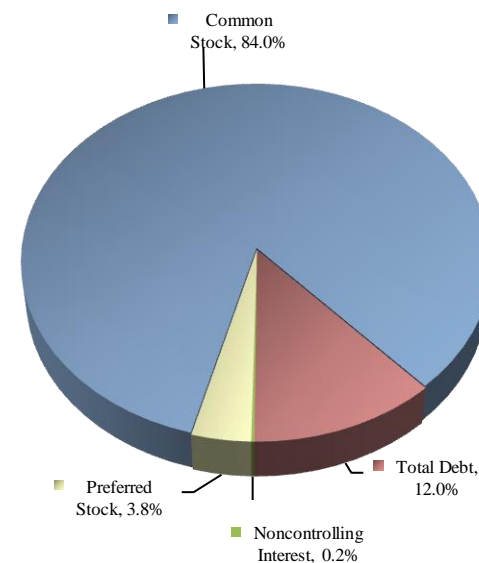
(In thousands, except per share amounts and number of shares)

	At March 31, 2011		Capitalization
<b>Debt</b>			
Bank Borrowing <sup>(1)</sup>		\$ 70,000	
Senior Unsecured Notes		50,000	
Bonds Payable		3,200	
Total Debt		<u>123,200</u>	12.0%
<b>Equity</b>			
	March 31, 2011		
	<u>No. of Shares</u>	<u>Closing</u>	
Preferred Stock -Series C <sup>(2)</sup>		38,500	3.8%
Common Stock <sup>(3)</sup>	30,334,574	\$ 28.34	84.0%
Noncontrolling interest		<u>1,962</u>	<u>0.2%</u>
Total Equity		<u>900,144</u>	<u>88.0%</u>
		<u>1,023,344</u>	<u>100.0%</u>
<b>Market Capitalization</b>			
Less: Cash Balance		(4,505)	
<b>Enterprise Value</b>		<u><b>\$ 1,018,839</b></u>	

**Debt to Enterprise Value** 12.1%

**Debt & Preferred to Enterprise Value** 15.9%

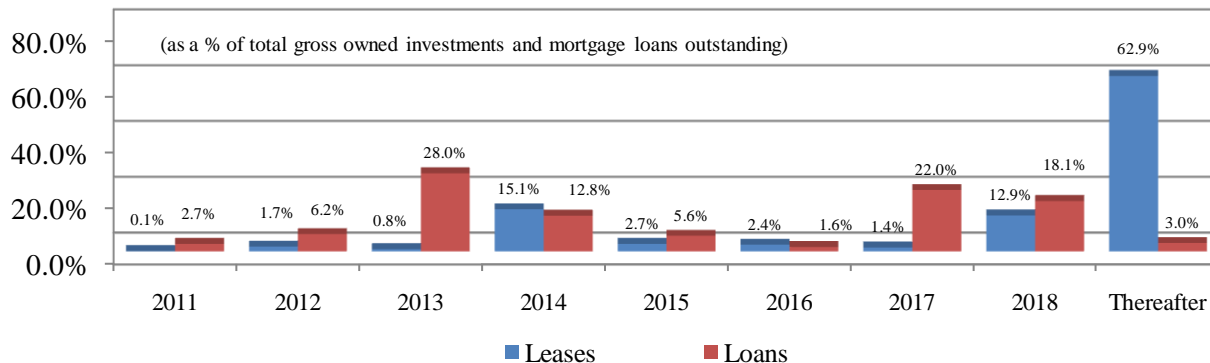
## Capitalization



- (1) The Company had a \$110 million revolving commitment with a \$10 million accordion feature. Subsequent to March 31, 2011, we entered into a new \$210 million revolving commitment with a \$40 million accordion feature, with no scheduled maturities other than the maturity date of April 18, 2015. Subsequent to March 31, 2011, we borrowed \$70 million under our new revolving commitment.
- (2) Non-traded shares. Two million shares outstanding with a face rate of 8.5% and a liquidation value of \$19.25, convertible into common stock on a one-for-one basis. Our Preferred C's are not redeemable by us.
- (3) Traded on NYSE.

## Lease and Mortgage Loan Receivable Maturity

LTC's investment portfolio has a long-term weighted roll-over maturity schedule. Over 76% of the portfolio has lease expirations beyond 2016. Over 42% of outstanding mortgage loans mature after 2016.



### Rental Revenue and Interest Income Maturity *(amounts in thousands)*

Year	Annualized GAAP Rental Income	% of Total	Interest Income <sup>(1)</sup>	% of Total	Total Rental and Interest Income	% of Total
2011	\$ 243	0.3%	\$ 226	4.3%	\$ 469	0.6%
2012	1,271	1.6%	402	7.7%	1,673	2.0%
2013	991	1.3%	1,912	36.5%	2,903	3.5%
2014	12,936	16.7%	849	16.2%	13,785	16.7%
2015	2,243	2.9%	269	5.1%	2,512	3.0%
2016	2,129	2.7%	26	0.5%	2,155	2.6%
2017	1,215	1.6%	627	12.0%	1,842	2.2%
2018	10,188	13.1%	803	15.3%	10,991	13.3%
Thereafter	46,283	59.8%	123	2.4%	46,406	56.1%
<b>Total</b>	<b>\$ 77,499</b>	<b>100.0%</b>	<b>\$ 5,237</b>	<b>100.0%</b>	<b>\$ 82,736</b>	<b>100.0%</b>

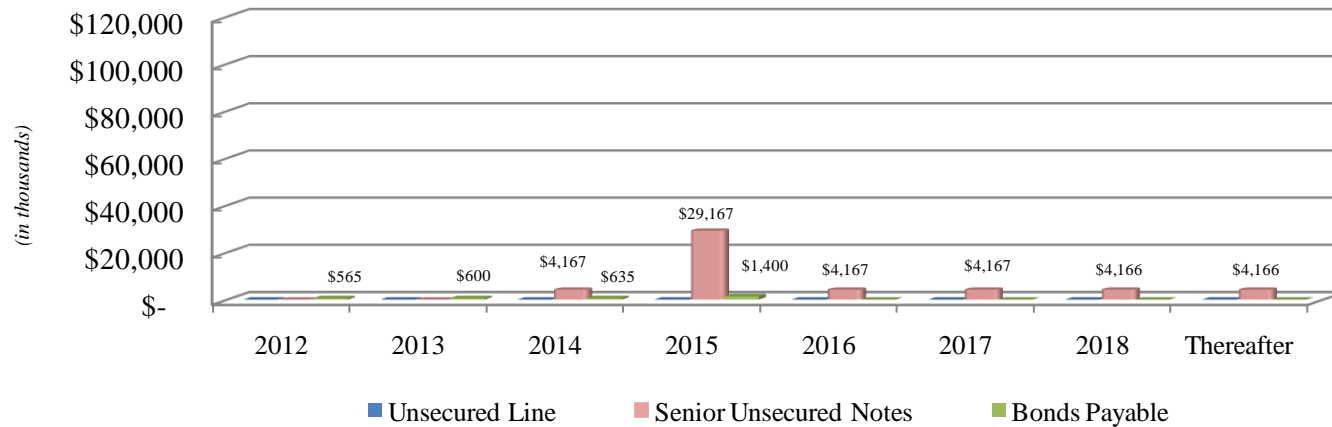
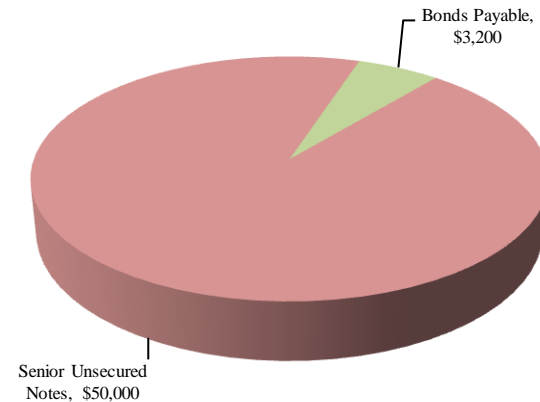
(1) Reflects annualized contract rate of interest for loans, net of collectibility reserves, if applicable.

Debt Maturity <i>(amounts in thousands)</i>				
Year	Unsecured Line of Credit <sup>(2)</sup>	Senior Unsecured Notes <sup>(1)</sup>	Bonds Payable <sup>(1)</sup>	Total
2012	\$ -	\$ -	\$ 565	\$ 565
2013	-	-	600	600
2014	-	4,167	635	4,802
2015	-	29,167	1,400	30,567
2016	-	4,167	-	4,167
2017	-	4,167	-	4,167
2018	-	4,166	-	4,166
Thereafter	-	4,166	-	4,166
<b>Total</b>	<b>\$ -</b>	<b>\$ 50,000</b>	<b>\$ 3,200</b>	<b>\$ 53,200</b>

- (1) Reflects scheduled principal payments for amortizing of debt.  
 (2) Reflects amount outstanding at March 31, 2011. Subsequent to March 31, 2011, we entered into a new \$210 million Unsecured Credit Agreement with a \$40 million accordion feature, with no scheduled maturities other than the maturity date of April 18, 2015. Subsequent to March 31, 2011, we borrowed \$70 million under our new Unsecured Credit Agreement.

## Debt Structure

Amounts outstanding at March 31, 2011  
*(in thousands)*



## Balance Sheet and Coverage Ratios

(dollars in thousands)

	For the Year Ended			Three Months Ended	Proforma
	12/31/08	12/31/09	12/31/10	03/31/11	03/31/11
Net Real Estate Assets	\$449,683	\$444,163	\$515,983	\$573,477	\$573,477
Total Assets	506,053	490,593	561,264	635,428	616,543
Total Debt	36,753	25,410	91,430	53,200	123,200
Total Liabilities	45,041	36,280	103,742	164,602	146,034
Preferred Stock	189,560	186,801	126,913	38,500	38,500
Total Equity	461,012	454,313	457,522	471,265	470,948
Debt to book capitalization ratio	7.4%	5.3%	16.7%	10.1%	20.7%
Debt & Preferred Stock to book capitalization ratio	45.5%	44.2%	39.8%	17.5%	27.2%
Debt to market capitalization ratio	5.4%	3.0%	9.5%	5.6%	12.0%
Debt & Preferred Stock to market capitalization ratio	30.1%	25.1%	23.0%	9.6%	15.8%
Debt to Normalized EBITDA	0.6x	0.4x	1.4x	3.0x	6.9x
Normalized interest coverage ratio	15.1x	25.4x	24.5x	16.1x	12.5x
Normalized fixed charges coverage ratio	3.2x	3.5x	4.0x	4.3x	7.9x



## Reconciliation of Normalized EBITDA and Fixed Charges

(amounts in thousands)

	For the Year Ended			Three Months Ended	Proforma
	12/31/08	12/31/09	12/31/10	03/31/11	03/31/11
Net income	\$ 43,284	\$ 44,360	\$ 46,053	\$ 12,154	\$ 11,837
Less: Gain on sale	(92)	-	(310)	-	-
Add: Interest expense	4,114	2,418	2,653	1,104	1,421
Add: Depreciation and amortization (including discontinued operations)	14,960	14,822	16,109	4,521	4,521
<b>EBITDA</b>	<b>62,266</b>	<b>61,600</b>	<b>64,505</b>	<b>17,779</b>	<b>17,779</b>
(Deduct)/Add back:					
Non-recurring one-time charge	-	(198)	467	-	-
Total non-recurring (expenses)/revenue	-	(198)	467	-	-
<b>Normalized EBITDA</b>	<b>\$ 62,266</b>	<b>\$ 61,402</b>	<b>\$ 64,972</b>	<b>\$ 17,779</b>	<b>\$ 17,779</b>
Interest expense	\$ 4,114	\$ 2,418	\$ 2,653	\$ 1,104	\$ 1,421
Preferred stock dividend	15,390	15,141	13,662	3,058	818
<b>Fixed Charges</b>	<b>\$ 19,504</b>	<b>\$ 17,559</b>	<b>\$ 16,315</b>	<b>\$ 4,162</b>	<b>\$ 2,239</b>

## FFO Reconciliation

(amounts in thousands, except per share amounts)

	Three Months Ended March 31,	
	2011	2010
Net income available to common stockholders	\$ 5,393	\$ 6,694
Add: Depreciation and amortization (continuing and discontinued operations)	4,521	3,860
<b>FFO available to common stockholders</b>	<b>9,914</b>	<b>10,554</b>
Add: Preferred stock redemption charge	3,566 <sup>(1)</sup>	-
Add: Preferred stock redemption dividend	472 <sup>(2)</sup>	-
Add: Non-recurring one time items	-	852 <sup>(3)</sup>
<b>Normalized FFO available to common stockholders</b>	<b>13,952</b>	<b>11,406</b>
Less: Non-cash rental income	(606)	(764)
<b>Normalized FFO excluding non-cash rental income</b>	<b>13,346</b>	<b>10,642</b>
Add: Non-cash compensation charges	358	366
<b>Normalized FFO excluding non-cash rental income and non-cash compensation charges</b>	<b>\$ 13,704</b>	<b>\$ 11,008</b>
Diluted FFO available to common stockholders per share	\$0.38	\$0.45
<b>Diluted normalized FFO available to common stockholders per share</b>	<b>\$0.52</b>	<b>\$0.48</b>
Diluted normalized FFO excluding non-cash rental income per share	\$0.50	\$0.45
Diluted normalized FFO excluding non-cash rental income and non-cash compensation charges per share	\$0.51	\$0.47

(1) Represents the original issue costs related to the Series F Preferred Stock

(2) Represents the accrued and unpaid dividends on the Series F Preferred Stock up to the redemption date which is the period of April 1, 2011 - April 25, 2011.

(3) Includes a \$0.9 million provision for doubtful accounts charge related to a mortgage loan secured by a school property located in Minnesota.