



2829 Townsgate Road
Suite 350
Westlake Village, CA 91361
Telephone: (805) 981-8655
Facsimile: (805) 981-8663

January 21, 2015

Dear Shareholder:

For the year ended December 31, 2014, LTC Properties, Inc. made cash distributions for a total of \$2.04 per outstanding share of **Common Stock** (CUSIP# 502175102).

All distributions are broken down by percentage according to the following categories for income tax purposes:

Ordinary Taxable Distribution	72.269412%
Long-term Capital Gain	0.000000%
Section 1250 gain	18.124118%
Return of capital	<u>9.606470%</u>
Total:	<u>100.000000%</u>

For individuals, federal tax law provides that long-term capital gains are taxed at a maximum rate of 20%. Section 1250 gain is taxed at a maximum of 25%. Return of capital distributions reduce a shareholder's basis in his stock and the excess of such distribution over basis is taxable as a capital gain. The rules in various states may be different. Taxpayers should consult their tax advisers in order to determine how to report the different categories of their distributions in their Federal and state returns.

As a real estate investment trust, LTC Properties, Inc. is required to distribute at least 90% of its net ordinary taxable income. In addition, the Company may elect to distribute cash in excess of the required amount.

Very truly yours,

LTC Properties, Inc.

/S/ PAMELA J. SHELLEY-KESSLER
Executive Vice President, CFO, & Secretary