



Supplemental Operating and Financial Data  
June 30, 2011  
*(Unaudited)*



South Hills, PA  
67 units



Monroeville, PA  
63 units



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## **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**

**Corporate Office**  
2829 Townsgate Road, Suite 350  
Westlake Village, CA 91361

**Investor Relations**  
[Investor.Relations@LTCProperties.com](mailto:Investor.Relations@LTCProperties.com)  
(805) 981-8655

[www.LTCProperties.com](http://www.LTCProperties.com)  
(805) 981-8655 phone  
(805) 981-8663 fax



## **Additional Information**

### **Analyst Coverage**

**BMO Capital Markets Corp.**

Richard Anderson

**J.J.B. Hilliard, W.L. Lyons, Inc.**

John Roberts

**JMP Securities, LLC**

Peter Martin

**KeyBanc Capital Markets, Inc.**

Karin Ford

**RBC Capital Markets Corporation**

Frank Morgan

**Sandler O'Neill + Partners, L.P.**

James Milam

**Stifel, Nicolaus & Company, Inc.**

Jerry Doctrow

**Wells Fargo Securities, LLC**

Todd Stender

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, modified 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 19-20 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 YTD 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>
08/01/11	1	SNF	140	TX	2008	10,000	1,057	10.5%
<b>Total 2011</b>	<b>7</b>		<b>782 beds/93 units</b>			<b>\$ 72,291</b>		
<b>Total</b>	<b>17</b>		<b>1,587 beds/427 units</b>			<b>\$ 166,541</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 the net present value of estimated contingent earn-out liabilities as of the date of acquisition of \$9,841. Excluding the \$9,841 earn-out liabilities GAAP lease yield is 10.5%. The earn-out liabilities are accreted from the net present value to the estimated pay out value over the term of the earn-out thereby increasing the earn-out liabilities on the balance sheet. At June 30, 2011, the earn-out liabilities were \$10,018.



Newberry, SC  
20 licensed beds/93 units



Crowley, TX  
120 licensed beds



# Real Estate Portfolio Summary

## Real Estate Portfolio Snapshot

(dollars in thousands)

Type of Property	Six Months Ended June 30, 2011					No. of Props	No. of SNF Beds <sup>(4)</sup>	No. of ALF Units <sup>(4)</sup>	No. of ILF Units <sup>(4)</sup>	Investment per Bed/Unit
	Gross Investments	% of Investments	Rental Income <sup>(1)</sup>	Interest Income <sup>(2)</sup>	% of Revenues <sup>(3)</sup>					
Skilled Nursing	\$348,195	47.3%	\$16,668	\$1,776	45.2%	89	10,256	-	-	\$33.95
Assisted Living	308,785	41.9%	16,565	1,306	43.8%	102	-	4,365	-	\$70.74
Other Senior Housing <sup>(5)</sup>	67,011	9.1%	3,659	187	9.4%	14	913	330	423	\$40.22
Schools	12,170	1.7%	627	-	1.6%	2	-	-	-	
<b>Total</b>	<b>\$736,161</b>	<b>100.0%</b>	<b>\$37,519</b>	<b>\$3,269</b>	<b>100.0%</b>	<b>207</b>	<b>11,169</b>	<b>4,695</b>	<b>423</b>	

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

(2) Includes interest income from mortgage loans.

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

(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.

## “Same Store” Portfolio Statistics <sup>(1)</sup>

Owned Properties	Occupancy <sup>(2)</sup>		EBITDAR Coverage <sup>(3)</sup>		EBITDARM Coverage <sup>(4)</sup>	
	1Q11	4Q10 <sup>(7)</sup>	1Q11	4Q10 <sup>(7)</sup>	1Q11	4Q10 <sup>(7)</sup>
Assisted Living <sup>(5)</sup>	77.1%	76.8%	1.38	1.37	1.61	1.60
Assisted Living <sup>(6)</sup>	88.2%	88.1%	1.48	1.49	1.74	1.75
Skilled Nursing	79.0%	78.6%	2.11	2.07	2.88	2.84
Other Senior Housing	83.3%	80.9%	1.89	1.84	2.44	2.39

(1) Data from December 31, 2010 and March 31, 2011 property level operator financial statements which are unaudited and have not been independently verified by us. “Same store” represents those stabilized properties that are, and remained, in operations for the duration of the trailing twelve month comparison periods presented. Accordingly, it takes an acquisition a minimum of twelve months in operations to be included in the company’s “same store” portfolio.

(2) Occupancy data is for the trailing twelve months and is based on licensed beds/units which may differ from the number of beds/units in service at any given time.

(3) Trailing twelve month’s earnings before interest, taxes, depreciation, amortization, and rent. Management fees are imputed at 5% of revenues.

(4) Trailing twelve month’s 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)

(7) Results may differ from those previously published due to the components of “same store” calculations changing as a result of acquisitions and certain reclassifications and recalculations to conform to current period presentation.

## “Same Store” Quality Mix <sup>(1)</sup>

Owned Properties Payor Source <sup>(2)</sup>	1Q11
Private Pay <sup>(3)</sup>	62.6%
Medicare	14.3%
Medicaid	23.1%

(1) LTC revenue by operator underlying payor source for the quarter presented. LTC is not a Medicaid or a Medicare recipient. Statistics represent LTC’s rental revenues times operators’ underlying payor source revenue percentage. Underlying payor source revenue percentage is calculated from property level operator financial statements which are unaudited and have not been independently verified by us.

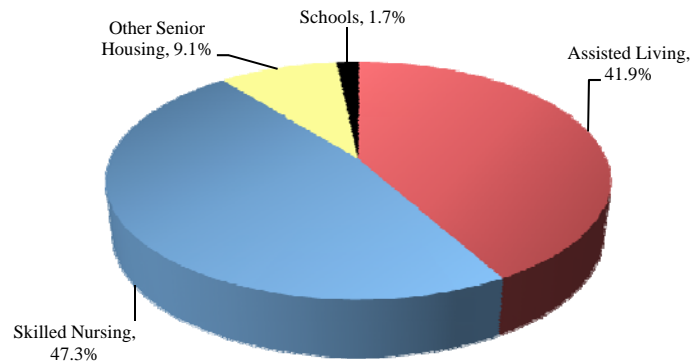
(2) Quality mix for our skilled nursing portfolio, for the quarter presented, is 22.5% Private Pay, 28.5% Medicare, and 49.0% Medicaid.

(3) Private Pay includes private insurance, HMO, VA, and other.

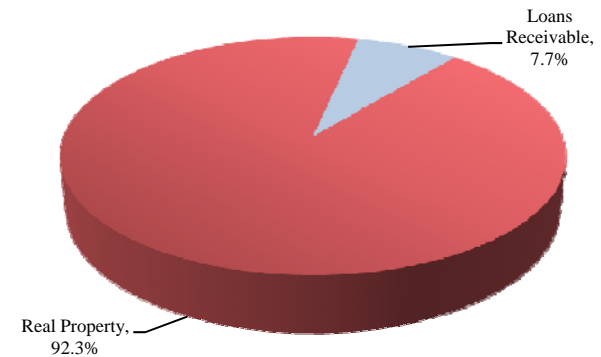
## Real Estate Portfolio Diversification

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

Gross Asset Value By Property Type

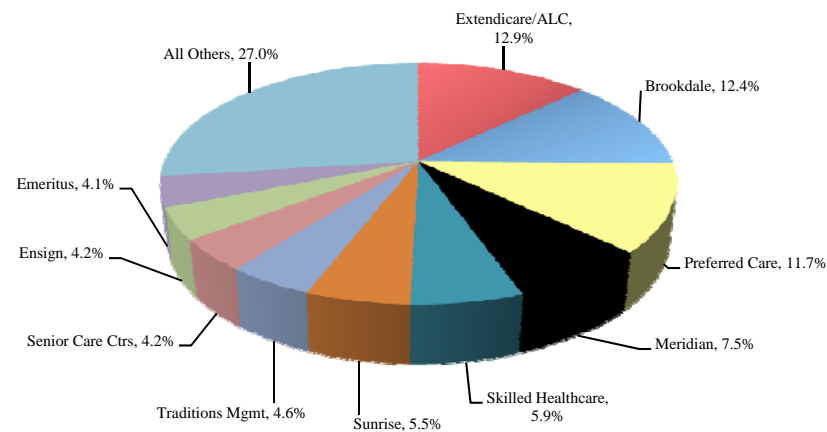


Gross Asset Value By Asset Type



### 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	%	Six Months Ended June 30, 2011	
				Revenue <sup>(1)</sup>	%
Skilled Nursing	89	\$ 348,195	47.3%	\$ 18,444	45.2%
Assisted Living	102	308,785	41.9%	17,871	43.8%
Other Senior Housing	14	67,011	9.1%	3,846	9.4%
Schools	2	12,170	1.7%	627	1.6%
Total	207	\$ 736,161	100.0%	\$ 40,788	100.0%

Asset Type	Gross Investment	%
Real Property	\$ 679,806	92.3%
Loans Receivable	56,355	7.7%
Total	\$ 736,161	100.0%

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

### Owned Portfolio – Operator Diversification

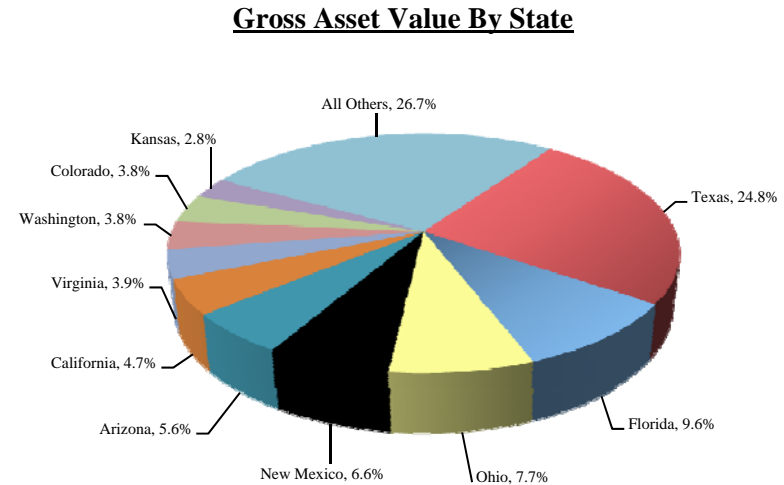
Operator	# of Props	Gross Investment	%	Annualized GAAP Rent	%
Extendicare REIT and Assisted Living Concepts, Inc	37	\$ 88,034	12.9%	\$ 10,963	14.0%
Brookdale Senior Living Communities, Inc.	35	84,210	12.4%	10,523	13.5%
Preferred Care, Inc.	26	79,800	11.7%	10,551	13.5%
Meridian Senior Properties Fund II, LP	4	50,841	7.5%	4,319	5.5%
Skilled Healthcare Group, Inc.	5	40,270	5.9%	4,501	5.8%
Sunrise Senior Living	6	37,659	5.5%	4,614	5.9%
Traditions Management	3	31,000	4.6%	3,417	4.4%
Senior Care Centers, LLC	2	28,500	4.2%	2,919	3.7%
The Ensign Group, Inc.	3	28,496	4.2%	1,596	2.0%
Emeritus Corporation	2	28,071	4.1%	2,726	3.5%
All Others	45	182,925	27.0%	22,037	28.2%
Total	168	\$ 679,806	100.0%	\$ 78,166	100.0%



## Real Estate Portfolio Diversification

### State Diversification – By Property Type

State <sup>(1)</sup>	# of Props	Gross Investment	%
Texas	55	\$ 182,317	24.8%
Florida	18	70,345	9.6%
Ohio	17	56,804	7.7%
New Mexico	7	48,876	6.6%
Arizona	7	41,212	5.6%
California	5	34,767	4.7%
Virginia	4	29,052	3.9%
Washington	10	28,010	3.8%
Colorado	10	27,806	3.8%
Kansas	7	20,557	2.8%
All Others	67	196,415	26.7%
<b>Total</b>	<b>207</b>	<b>\$ 736,161</b>	<b>100.0%</b>



State <sup>(1)</sup>	ALF		SNF		OTH		School		Gross Investment	%
Texas	\$ 32,335	10.5%	\$ 141,357	40.6%	\$ 8,625	12.9%	\$ -	0.0%	\$ 182,317	24.8%
Florida	36,623	11.9%	20,302	5.8%	13,420	20.0%	-	0.0%	70,345	9.6%
Ohio	44,647	14.5%	12,157	3.5%	-	0.0%	-	0.0%	56,804	7.7%
New Mexico	-	0.0%	48,876	14.0%	-	0.0%	-	0.0%	48,876	6.6%
Arizona	5,120	1.7%	36,092	10.4%	-	0.0%	-	0.0%	41,212	5.6%
California	28,071	9.1%	3,496	1.0%	3,200	4.8%	-	0.0%	34,767	4.7%
Virginia	-	0.0%	15,713	4.5%	13,339	19.9%	-	0.0%	29,052	3.9%
Washington	19,080	6.2%	8,930	2.6%	-	0.0%	-	0.0%	28,010	3.8%
Colorado	18,402	6.0%	7,397	2.1%	2,007	3.0%	-	0.0%	27,806	3.8%
Kansas	6,733	2.2%	13,824	4.0%	-	0.0%	-	0.0%	20,557	2.8%
All Others	117,774	37.9%	40,051	11.5%	26,420	39.4%	12,170	100.0%	196,415	26.7%
<b>Total</b>	<b>\$ 308,785</b>	<b>100.0%</b>	<b>\$ 348,195</b>	<b>100.0%</b>	<b>\$ 67,011</b>	<b>100.0%</b>	<b>\$ 12,170</b>	<b>100.0%</b>	<b>\$ 736,161</b>	<b>100.0%</b>

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



## Top Ten Operators – Owned Portfolio

**Extendicare 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 June 30, 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 June 30, 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 June 30, 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 June 30, 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 June 30, 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 June 30, 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 June 30, 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 June 30, 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 June 30, 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 June 30, 2011, the LTC portfolio consisted of 2 assisted living properties in 1 state with a gross investment balance of \$28.1 million.



## Market Capitalization

### Capitalization at June 30, 2011

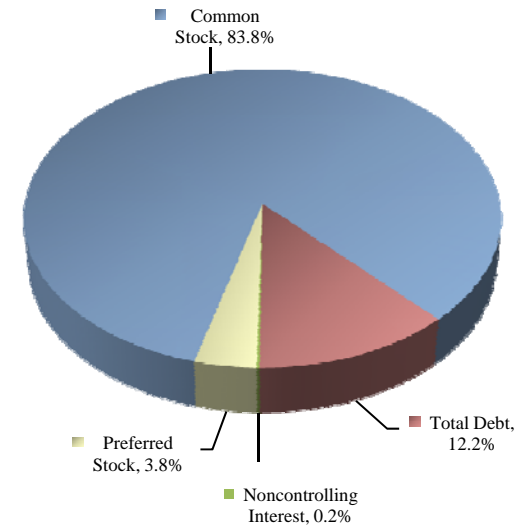
(In thousands, except per share amounts and number of shares)

		At June 30, 2011	Capitalization
<b>Debt</b>			
Bank borrowings <sup>(1)</sup>		\$ 70,000	
Senior unsecured notes		50,000	
Bonds payable		3,200	
Total debt		123,200	12.2%
<b>Equity</b>			
	No. of shares	Closing	
Preferred stock -series C <sup>(2)</sup>		38,500	3.8%
Common stock <sup>(3)</sup>	30,340,574	\$27.82	83.8%
Noncontrolling interest		1,962	0.2%
Total equity		884,537	87.8%
		1,007,737	100.0%
<b>Market Capitalization</b>			
Less: cash balance		(6,395)	
<b>Enterprise value</b>		<b>\$ 1,001,342</b>	

**Debt to Enterprise Value** 12.3%

**Debt & Preferred to Enterprise Value** 16.1%

### Capitalization



- (1) In the 2<sup>nd</sup> quarter of 2011, the Company entered into a new \$210.0 million revolving commitment with a \$40.0 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 Market Capitalization

## Proforma Capitalization at June 30, 2011

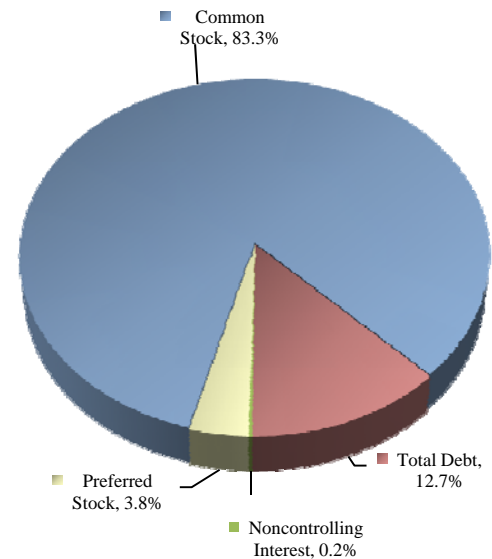
(In thousands, except per share amounts and number of shares)

		At June 30, 2011	Capitalization
<b>Debt</b>			
Bank borrowings <sup>(1)</sup>		\$ 25,000	
Senior unsecured notes <sup>(2)</sup>		100,000	
Bonds payable		3,200	
Total debt		128,200	12.7%
<b>Equity</b>			
	No. of shares	Closing	
Preferred stock -series C <sup>(3)</sup>		38,500	3.8%
Common stock <sup>(4)</sup>	30,340,574	\$ 27.82	83.3%
Noncontrolling interest		1,962	0.2%
Total equity		884,537	87.3%
<b>Market Capitalization</b>		1,012,737	100.0%
Less: cash balance		(6,395)	
<b>Enterprise value</b>		<b>\$ 1,006,342</b>	

**Debt to Enterprise Value** 12.7%

**Debt & Preferred to Enterprise Value** 16.6%

## Capitalization

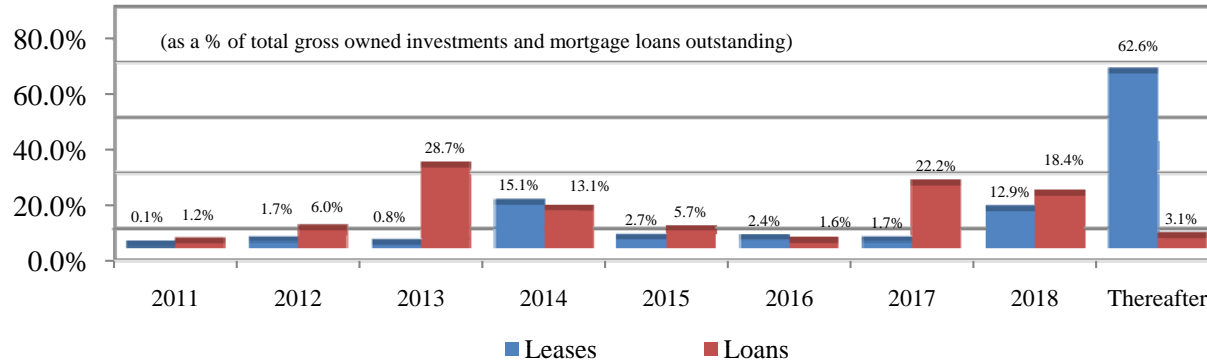


- (1) In the 2<sup>nd</sup> quarter of 2011, the Company entered into a \$210.0 million revolving commitment with a \$40.0 million accordion feature, with no scheduled maturities other than the maturity date of April 18, 2015. Subsequent to June 30, 2011, the Company borrowed \$5.0 million for the purchase of a 140-bed skilled nursing property and repaid \$50.0 million under our Unsecured Credit Agreement.
- (2) Subsequent to June 30, 2011, we completed the sale to affiliates and managed accounts of Prudential Investment Management, Inc. (individually and collectively "Prudential") of \$50.0 million aggregate principal amount of 4.8% senior unsecured term notes fully amortizing to maturity in July 2021. The net proceeds were used to pay down amounts outstanding under our Unsecured Credit Agreement, as discussed above.
- (3) 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.
- (4) Traded on NYSE.



## Lease and Mortgage Loan Receivable Maturity

LTC's investment portfolio has a long-term weighted roll-over maturity schedule. Over 77% of the portfolio has lease expirations beyond 2016. Over 44% 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	\$ 248	0.3%	\$ 87	1.7%	\$ 335	0.4%
2012	1,211	1.5%	402	7.9%	1,613	1.9%
2013	1,012	1.3%	1,912	37.5%	2,924	3.5%
2014	12,936	16.5%	849	16.7%	13,785	16.5%
2015	2,243	2.9%	269	5.3%	2,512	3.0%
2016	2,129	2.7%	26	0.5%	2,155	2.6%
2017	1,557	2.0%	627	12.3%	2,184	2.6%
2018	10,188	13.0%	803	15.7%	10,991	13.2%
Thereafter	46,677	59.8%	123	2.4%	46,800	56.3%
Total	\$ 78,201	100.0%	\$ 5,098	100.0%	\$ 83,299	100.0%

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



## Debt Maturity - Proforma

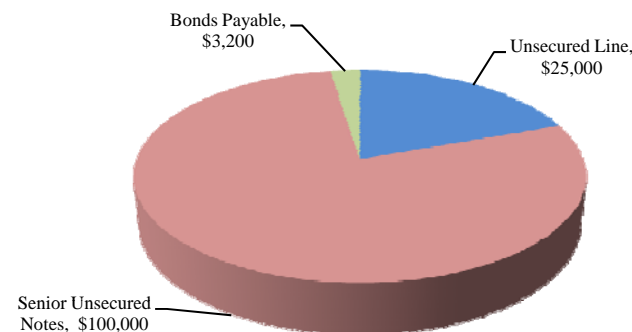
(amounts in thousands)

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	25,000	29,167	1,400	55,567
2016	-	16,667	-	16,667
2017	-	14,167	-	14,167
2018	-	14,166	-	14,166
2019	-	11,666	-	11,666
2020	-	5,000	-	5,000
2021	-	5,000	-	5,000
Thereafter	-	-	-	-
<b>Total</b>	<b>\$ 25,000</b>	<b>\$ 100,000</b>	<b>\$ 3,200</b>	<b>\$ 128,200</b>

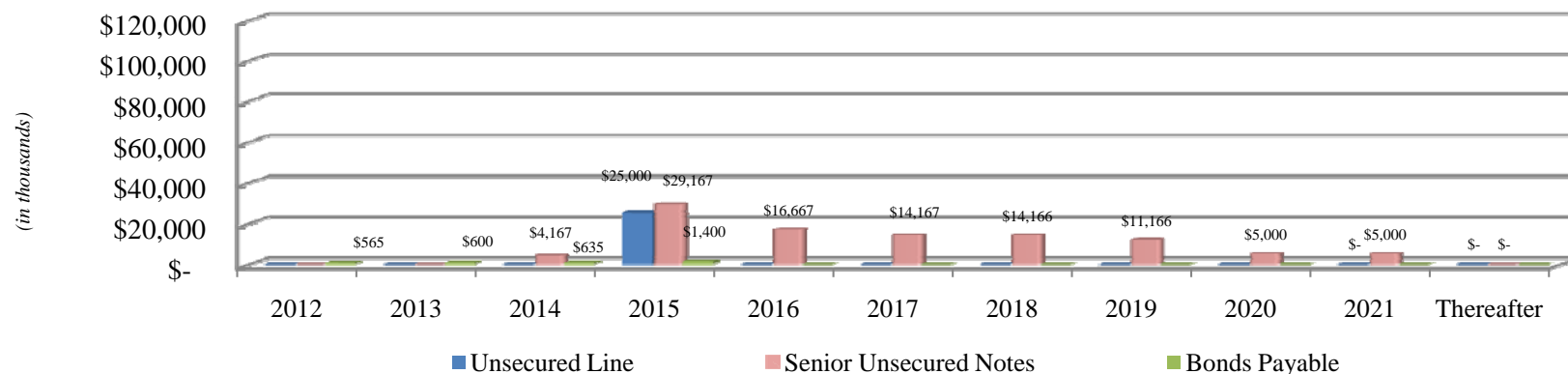
## Debt Structure - Proforma

Amounts outstanding at June 30, 2011

(in thousands)



- (1) Reflects scheduled principal payments for amortizing of debt. In the 2<sup>nd</sup> quarter of 2011, the Company entered into a \$210.0 million revolving commitment with a \$40.0 million accordion feature, with no scheduled maturities other than the maturity date of April 18, 2015. Subsequent to June 30, 2011, we completed the sale to Prudential of \$50.0 million aggregate principal amount of 4.80% senior unsecured term notes fully amortizing to maturity on July 20, 2021. The net proceeds were used to pay down amounts outstanding under our unsecured line of credit.
- (2) Subsequent to June 30, 2011, the Company borrowed \$5.0 million for the purchase of a 140-bed skilled nursing property and repaid \$50.0 million, as previously discussed, under our unsecured line of credit. As a result, we had \$25.0 million outstanding under our unsecured line of credit with \$185.0 million available for borrowing.





# Financial Data Summary

(Dollars in thousands)

## Balance Sheet and Coverage Ratios

	For the Year Ended			Six Months Ended	Proforma <sup>(1)</sup>
	12/31/08	12/31/09	12/31/10	06/30/11	06/30/11
Net Real Estate Assets	\$449,683	\$444,163	\$515,983	\$567,066	\$576,966
Total Assets	506,053	490,593	561,264	614,423	624,323
Total Debt	36,753	25,410	91,430	123,200	128,200
Total Liabilities	45,041	36,280	103,742	144,318	149,318
Preferred Stock	189,560	186,801	126,913	38,500	38,500
Total Equity	461,012	454,313	457,522	470,105	470,521
Debt to book capitalization ratio	7.4%	5.3%	16.7%	20.8%	21.4%
Debt & Preferred Stock to book capitalization ratio	45.5%	44.2%	39.8%	27.3%	27.8%
Debt to market capitalization ratio	5.4%	3.0%	9.5%	12.2%	12.7%
Debt & Preferred Stock to market capitalization ratio	30.1%	25.1%	23.0%	16.0%	16.5%
Debt to Normalized EBITDA	0.6x	0.4x	1.4x	3.4x	3.5x
Normalized interest coverage ratio	15.1x	25.4x	24.5x	13.8x	14.2x
Normalized fixed charges coverage ratio	3.2x	3.5x	4.0x	5.6x	5.8x

(1) Proforma includes \$5.0 million borrowing under our revolving line of credit for the purchase of a 140-bed skilled nursing property and the sale to Prudential of \$50.0 million aggregate principal amount of 4.8% senior unsecured term notes due July 2021. The net proceeds from the \$50.0 million 4.8% senior unsecured term notes were used to pay down amounts outstanding under our revolving line of credit.





# Financial Data Summary

(Amounts in thousands)

## Reconciliation of Normalized EBITDA and Fixed Charges

	For the Year Ended			Six Months Ended	Proforma <sup>(1)</sup>
	12/31/08	12/31/09	12/31/10	06/30/11	06/30/11
Net income	\$ 43,284	\$ 44,360	\$ 46,053	\$ 24,416	\$ 24,832
Less: Gain on sale	(92)	-	(310)	-	-
Add: Interest expense	4,114	2,418	2,653	2,647	2,684
Add: Depreciation and amortization (including discontinued operations)	14,960	14,822	16,109	9,508	9,608
EBITDA	62,266	61,600	64,505	36,571	37,124
(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>\$ 36,571</b>	<b>\$ 37,124</b>
<b>Interest expense</b>	<b>\$ 4,114</b>	<b>\$ 2,418</b>	<b>\$ 2,653</b>	<b>\$ 2,647</b>	<b>\$ 2,684</b>
Preferred stock dividend	15,390	15,141	13,662	3,876	3,876
<b>Fixed Charges</b>	<b>\$ 19,504</b>	<b>\$ 17,559</b>	<b>\$ 16,315</b>	<b>\$ 6,523</b>	<b>\$ 6,560</b>

- (1) Proforma includes \$5.0 million borrowing under our revolving line of credit for the purchase of a 140-bed skilled nursing property and the sale to Prudential of \$50.0 million aggregate principal amount of 4.8% senior unsecured term notes due July 2021. The net proceeds from the \$50.0 million 4.8% senior unsecured term notes were used to pay down amounts outstanding under our revolving line of credit.

## Non-Cash Rental Revenue Components

(amounts in thousands)

	2Q11	3Q11 <sup>(1)</sup>	4Q11 <sup>(1)</sup>	1Q12 <sup>(1)</sup>	2Q12 <sup>(1)</sup>
Straight-line rent	\$ 916	\$ 881	\$ 777	\$ 542	\$ 482
Amort of lease inducement	(166)	(165)	(165)	(165)	(165)
Net	\$ 750	\$ 716	\$ 612	\$ 377	\$ 317

- (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.



# Consolidated Statements of Income

(Amounts in thousands, except per share amounts) (unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2011	2010	2011	2010
<b>Revenues</b>				
Rental income	\$19,337	\$15,790	\$37,517	\$31,128
Interest from mortgage loans	1,613	1,836	3,269	3,815
Interest and other income	230	299	647	574
Total revenues	<u>21,180</u>	<u>17,925</u>	<u>41,433</u>	<u>35,517</u>
<b>Expenses</b>				
Interest expense	1,543	419	2,647	820
Depreciation and amortization	4,943	3,880	9,400	7,608
(Recovery) provisions for doubtful accounts	(4)	51	(14)	1,184
Acquisition costs	35	30	165	113
Operating and other expenses	2,327	1,872	4,651	3,504
Total expenses	<u>8,844</u>	<u>6,252</u>	<u>16,849</u>	<u>13,229</u>
Income from continuing operations	12,336	11,673	24,584	22,288
Discontinued operations:				
Loss from discontinued operations	(74)	(43)	(168)	(88)
Net loss from discontinued operations	<u>(74)</u>	<u>(43)</u>	<u>(168)</u>	<u>(88)</u>
Net income	12,262	11,630	24,416	22,200
Income allocated to non-controlling interests	(48)	(48)	(96)	(96)
Net income attributable to LTC Properties, Inc.	<u>12,214</u>	<u>11,582</u>	<u>24,320</u>	<u>22,104</u>
Income allocated to participating securities	(85)	(58)	(174)	(101)
Income allocated to preferred stockholders	(818)	(3,785)	(7,442)	(7,570)
<b>Net Income available to common stockholders</b>	<u><b>\$ 11,311</b></u>	<u><b>\$ 7,739</b></u>	<u><b>\$ 16,704</b></u>	<u><b>\$ 14,433</b></u>
<b>Basic earnings per common share:</b>	<u><b>\$0.38</b></u>	<u><b>\$0.33</b></u>	<u><b>\$0.59</b></u>	<u><b>\$0.62</b></u>
<b>Diluted earnings per common share:</b>	<u><b>\$0.37</b></u>	<u><b>\$0.33</b></u>	<u><b>\$0.59</b></u>	<u><b>\$0.61</b></u>
<b>Weighted average shares used to calculate earnings per common share</b>				
Basic	30,135	23,643	28,233	23,464
Diluted	<u>30,168</u>	<u>23,743</u>	<u>28,264</u>	<u>23,563</u>



# Consolidated Balance Sheets

(Amounts in thousands)

	June 30, 2011 (unaudited)	December 31, 2010 (unaudited)
<b>ASSETS</b>		
Land	\$ 48,230	\$ 43,031
Buildings and improvements	625,945	567,017
Accumulated depreciation	(167,537)	(158,204)
Net operating real estate property	506,638	451,844
Properties held-for-sale, net of accumulated depreciation 2011 - \$613; 2010 - \$505	5,018	5,113
Net real estate property	511,656	456,957
Mortgages receivable, net of allowance for doubtful accounts: 2011 - \$945; 2010 - \$981	55,410	59,026
Real estate investments, net	567,066	515,983
Other assets:		
Cash and cash equivalents	6,395	6,903
Debt issue costs, net	2,421	743
Interest receivable	1,535	1,571
Straight-line rent receivable, net of allowance for doubtful accounts: 2011 - \$656; 2010 - \$634	21,757	20,090
Prepaid expenses and other assets	7,772	8,162
Other assets related to properties held-for-sale, net of allowance for doubtful accounts: 2011 - \$839; 2010 - \$839	51	51
Notes receivable	945	1,283
Marketable securities	6,481	6,478
<b>Total assets</b>	<b>\$ 614,423</b>	<b>\$ 561,264</b>

	June 30, 2011 (unaudited)	December 31, 2010 (unaudited)
<b>LIABILITIES</b>		
Bank borrowings	\$ 70,000	\$ 37,700
Senior unsecured notes	50,000	50,000
Bonds payable	3,200	3,730
Accrued interest	858	675
Earn-out liabilities	10,018	-
Accrued expenses and other liabilities	10,180	9,737
Accrued expenses and other liabilities related to properties held-for-sale	62	132
Distributions payable	-	1,768
Total liabilities	144,318	103,742
<b>EQUITY</b>		
Preferred stock <sup>(1)</sup>	38,500	126,913
Common stock <sup>(2)</sup>	303	263
Paid in capital	506,513	398,599
Cumulative net income	647,811	623,491
Other	234	264
Cumulative distributions	(725,218)	(693,970)
Total stockholders' equity	468,143	455,560
Non-controlling interests	1,962	1,962
Total equity	470,105	457,522
<b>Total equity and liabilities</b>	<b>\$ 614,423</b>	<b>\$ 561,264</b>

- (1) \$0.01 par value; 15,000 shares authorized; shares issued and outstanding: 2011 - 2,000; 2010 - 5,536  
(2) \$0.01 par value; 45,000 shares authorized; shares issued and outstanding: 2011 - 30,341; 2010 - 26,345



## Funds from Operations

(Amounts in thousands, except per share amounts)

### FFO Reconciliation

	Three Months Ended June 30,		Six Months Ended June 30,	
	2011	2010	2011	2010
Net income available to common stockholders	\$ 11,311	\$ 7,739	\$ 16,704	\$ 14,433
Add: Depreciation and amortization (continuing and discontinued operations)	4,987	4,014	9,508	7,874
<b>FFO available to common stockholders</b>	<b>16,298</b>	<b>11,753</b>	<b>26,212</b>	<b>22,307</b>
Add: Preferred stock redemption charge	-	-	3,566 <sup>(1)</sup>	-
Add: Preferred stock redemption dividend	-	-	472 <sup>(2)</sup>	-
Add: Non-cash interest related to earn-out liabilities	177	-	177	-
Add: Non-recurring one time items	-	-	-	852 <sup>(3)</sup>
<b>Modified FFO available to common stockholders</b>	<b>16,475</b>	<b>11,753</b>	<b>30,427</b>	<b>23,159</b>
Less: Non-cash rental income	(750)	(763)	(1,356)	(1,527)
<b>Modified FFO excluding non-cash rental income</b>	<b>15,725</b>	<b>10,990</b>	<b>29,071</b>	<b>21,632</b>
Add: Non-cash compensation charges	363	355	721	721
<b>Modified FFO excluding non-cash rental income and non-cash compensation charges</b>	<b>\$ 16,088</b>	<b>\$ 11,345</b>	<b>\$ 29,792</b>	<b>\$ 22,353</b>
Diluted FFO available to common stockholders per share	\$0.53	\$0.49	\$0.92	\$0.94
<b>Diluted modified FFO available to common stockholders per share</b>	<b>\$0.54</b>	<b>\$0.49</b>	<b>\$1.06</b>	<b>\$0.97</b>
Diluted modified FFO excluding non-cash rental income per share	\$0.51	\$0.46	\$1.01	\$0.91
Diluted modified FFO excluding non-cash rental income and non-cash compensation charges per share	\$0.52	\$0.47	\$1.04	\$0.94

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

(2) Represents the dividends on the Series F Preferred Stock up to the redemption date.

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