Supplemental Operating and Financial Data
December 31, 2014

(Unaudited)

Assisted Living Property – Upper Arlington, OH
Operated by Sunrise Senior Living

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Company Information

Company

Founded in 1992, LTC Properties, Inc. ("LTC") 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 and other health care related properties leased to qualified, 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, visit the Company's website at www.LTCreit.com.

Board of Directors

Wendy Simpson
Chairman

Boyd Hendrickson
Lead Director

Edmund King

James Pieczynski

Devra Shapiro

Timothy Triche, MD

Management

Wendy Simpson
Chairman, Chief Executive Officer and President

Pam Kessler
Executive Vice President, CFO, and Secretary

Clint Malin
Executive Vice President and Chief Investment Officer

Brent Chappell
Senior VP, Investment and Portfolio Management

Cece Chikhale
Vice President, Controller and Treasurer

Mark Hemingway
Vice President of Marketing

Peter Lyew
Vice President and Director of Taxes

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Additional Information

Analyst Coverage

Crowell, Weedon, & Co. Doug Christopher, CFA	**J.J. B. Hilliard, W.L. Lyons, Inc.** John Roberts	**JMP Securities, LLC** Peter Martin
KeyBanc Capital Markets, Inc. Jordan Sadler	**Mizuho Securities USA Inc.** Rich Anderson	**MLV & Co LLC** Paul Morgan
RBC Capital Markets Corporation Mike Carroll	**Stifel, Nicolaus & Company, Inc.** Dan Bernstein	**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, 2014 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 20, 23, and 24 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.LTCreit.com.

Real Estate Activities

(dollar amounts in thousands)

ACQUISITIONS

Date	# of Properties	Property Type	# Beds/Units	Location	Operator	Date of Construction	Purchase Price
10/22/2014	1	UDP [(1)(2)]	66 units	Burr Ridge, IL	Under Development Property	2014-2016	$ 1,400
12/5/2014	1	MC[(3)]	48 units	Castle Rock, CO	Senior Lifestyle	2012	9,800
	2		114 units				$ 11,200
2/6/2015	1	UDP [(1)(4)]	56 units	Corpus Christi, TX	Under Development Property	2015	$ 7,195
2/19/2015	1	SNF[(5)]	106 beds	Slinger, WI	Fundamental	2014	13,946
2/20/2015	1	UDP [(1)(6)]	89 units	Murrells Inlet, SC	Under Development Property	2015-2016	2,490
	3		145 units/106 beds				$ 23,631

(1) See page 7 for Development activities.
(2) Simultaneous with the purchase, we made a development commitment totaling $12.2 million, including the land purchase, and added the property into a master lease.
(3) The property was included in a master lease at an incremental initial cash yield of 6.5% and we provided the lessee with contingent earn-out payments totaling up to $4,000 as a lease inducement.
(4) Subsequent to December 31, 2014, we purchased a parcel of land and existing improvements to complete construction of a memory care property and entered into a master lease which provides for our payment of a lease inducement of up to $1,589.
(5) Subsequent to December 31, 2014, we purchased and equipped the property for a total of $13,946 by exercising our right under a $10,600 mortgage loan. The property was added to an existing master lease at a lease rate of 10.3%, which was the interest rate in effect on the loan, and provided the lessee a lease inducement in an amount of $1,054. See page 7 for Lease-up activities.
(6) Subsequent to December 31, 2014, we purchased a parcel of land to develop a combination assisted living and memory care property. We added the land to the master lease discussed in (4) above and provided an additional lease inducement payment of up to $2,363.

LOAN ORIGINATIONS

Date	# of Properties	Property Type	# Beds/Units	Location	Borrower	Operator	Origination	Development Funding	Funded to Date	2014 Annual Revenue	Interest Rate
7/31/14	1	ALF	100 units	Phoenix, AZ	GrayHC-PVRE	Gray Health Care	$ 3,027	N/A	N/A	$ 96 [(1)]	7.0%
1/30/15	1	SNF	157 beds	Grand Blanc, MI	Affiliates of Madison Healthcare	Prestige Healthcare	$ 11,000	$ -	$ 9,500	$ -	9.4%

(1) Represents year-to-date mortgage interest income. We expect mortgage interest income, assuming no loan modifications, to be $228 for 2015.

Real Estate Activities

(dollar amounts in thousands)

LEASE-UP

Date Opened	Occupancy at Dec 31, 2014	Commitment Year	Project Type	Location	# of Projects	Property Type	Approximate Cash Lease/Loan Yield	# Beds/Units	Total Commitment	4Q14 Funding	Total Funded to Date
Feb-14	56%	2012	Redevelopment	Slinger, WI	1	SNF[1]	10.08%	106 beds	$ 10,600	$ -	$ -
Aug-14	50%	2013	Development	Littleton, CO	1	MC	9.25%	60 units	9,931	159	9,689
Nov-14	21%	2012	Development	Cold Spring, KY	1	SNF	8.50%	143 beds	23,500	4,971	20,904
Dec-14	44%	2012	Development	Frisco, TX	1	ALF/MC	9.25%	80 units	5,800	352	5,691
Dec-14	17%	2013	Development	Aurora, CO	1	MC	9.25%	48 units	9,622	1,860	8,744
					5			188 units/249 beds	$ 59,453	$ 7,342	$ 45,028

(1) Subsequent to December 31, 2014, we purchased and equipped the property securing the mortgage loan for a total of $13,946 by exercising our right under this loan.

DEVELOPMENT

Estimated Rent Inception Date	Commitment Year	Project Type	Location	# of Projects	Property Type	Approximate Cash Lease Yield	# Beds/ Units	Investment Commitment [1]	4Q14 Funding	Total Funded to Date	Remaining Commitment
4Q14	2012	Expansion/Renovation	Fort Collins, CO	2	ALF/MC	8.30%	-	$ 8,000	$ 453	$ 5,095	$ 2,905
4Q14	2013	Renovation	St. Petersburg, FL	1	SNF	8.75%	-	500	354	500	-
4Q14	2013	Renovation	Hillview/Lauderdale, TN	2	SNF	7.00%	-	2,200	183	2,161	39
				5			-	$ 10,700	$ 990	$ 7,756	$ 2,944
1Q15	2013	Development	Westminster, CO	1	MC	9.25%	60 units	$ 10,703	$ 2,517	$ 9,181	$ 1,522
- [2]	2013	Renovation	Various cities in MI	15	SNF	9.41%	-	12,000 [2]	1,824	3,337	8,663
- [2]	2015	Redevelopment	Richmond, MI	1	SNF	9.41%	-	10,000 [2]	-	-	10,000
- [2]	2015	Redevelopment	Rochester Hills, MI	1	SNF	9.41%	-	10,000 [2]	-	-	10,000
4Q15	2015	Development	Corpus Christi, TX	1	MC	8.75%	56 units	12,179	-	7,195 [3]	4,984
				19			116 units	$ 54,882	$ 4,341	$ 19,713	$ 35,169
2Q16	2014	Development	Burr Ridge, IL	1	MC	9.30%	66 units	$ 12,248	$ 2,057	$ 2,057	$ 10,191
2Q16	2015	Development	Murrells Inlet, SC	1	ALF/MC	8.75%	89 units	16,535	-	2,490 [4]	14,045
				2			155 units	$ 28,783	$ 2,057	$ 4,547	$ 24,236
			Total	26	WA	9.02%	271 units	$ 94,365	$ 7,388	$ 32,016	$ 62,349

(1) Includes purchase of land and existing improvements, if applicable, and development commitment.
(2) Commitment is part of the total loan commitment secured by 15 properties in Michigan operated by Prestige Healthcare. Subsequent to December 31, 2014, we amended the loan to provide an additional $20.0 million loan proceeds for the redevelopment projects at two of the properties securing the loan.
(3) Subsequent to December 31, 2014, we purchased a parcel of land and existing improvements to complete construction of a memory care property.
(4) Subsequent to December 31, 2014, we purchased a parcel of land to develop a combination assisted living and memory care property.

Real Estate Activities

Lease-Up in Slinger, WI
The Pavilion at Glacier Valley
106-bed skilled nursing property
Certificate of Occupancy – February 14, 2014
Operated by Fundamental

Real Estate Activities

Development in Westminster, CO
Green Ridge Place
60-unit memory care property
To be operated by Anthem Memory Care

Real Estate Portfolio Summary

(dollar amounts in thousands)

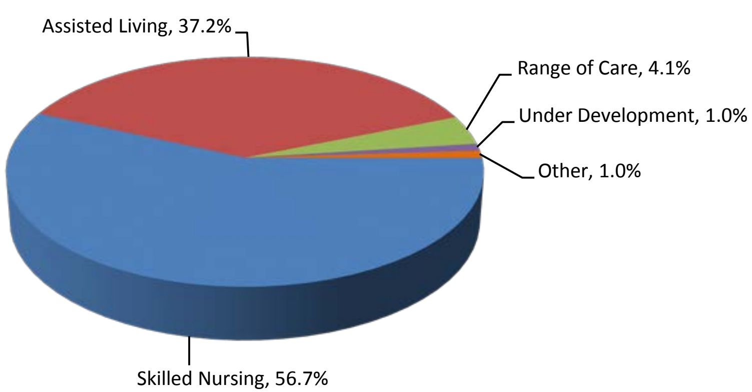
Real Estate Snapshot – Owned and Loan Portfolio

Type of Property	# of Properties	Gross Investments	% of Investments	For the Year Ended December 31, 2014 Rental Income[1]	Interest Income[1]	% of Revenues
Skilled Nursing	97	$ 633,052	56.7%	$ 52,259	$ 14,595	59.4%
Assisted Living	92	415,520	37.2%	37,847	985	34.5%
Range of Care	8	46,217	4.1%	5,332	282	5.0%
Under Development[2]	-	11,495	1.0%	-	-	-
Other[3]	1	10,883	1.0%	1,294	-	1.1%
Total	198	$ 1,117,167	100.0%	$ 96,732	$15,862	100.0%

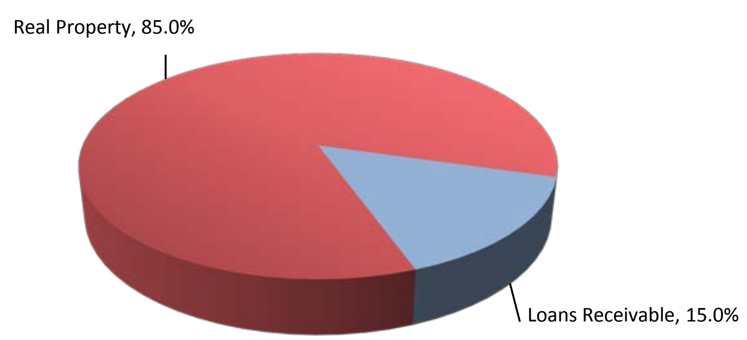
Investment Type	Gross Investment	%
Real Property	$ 949,838	85.0%
Loans Receivable	167,329	15.0%
Total	$1,117,167	100.0%

(1) Includes rental income and interest income from mortgage loans and excludes rental income from properties sold and interest income from loans that paid off during the year ended December 31, 2014.
(2) Includes two MC developments with a total of 126 units.
(3) Includes one school property and five parcels of land held-for-use.

Gross Investment By Property Type



Gross Investment By Investment Type



Real Estate Portfolio Metrics

Same Property Portfolio Statistics [1]

Owned Properties	Occupancy 3Q14	Occupancy 2Q14	Normalized EBITDARM Coverage 3Q14	Normalized EBITDARM Coverage 2Q14	Normalized EBITDAR Coverage 3Q14	Normalized EBITDAR Coverage 2Q14
Assisted Living	85.6%	85.9%	1.62	1.62	1.39	1.38
Skilled Nursing	79.7%	79.8%	2.23	2.23	1.65	1.65
Range of Care	85.1%	84.7%	1.73	1.78	1.24	1.28

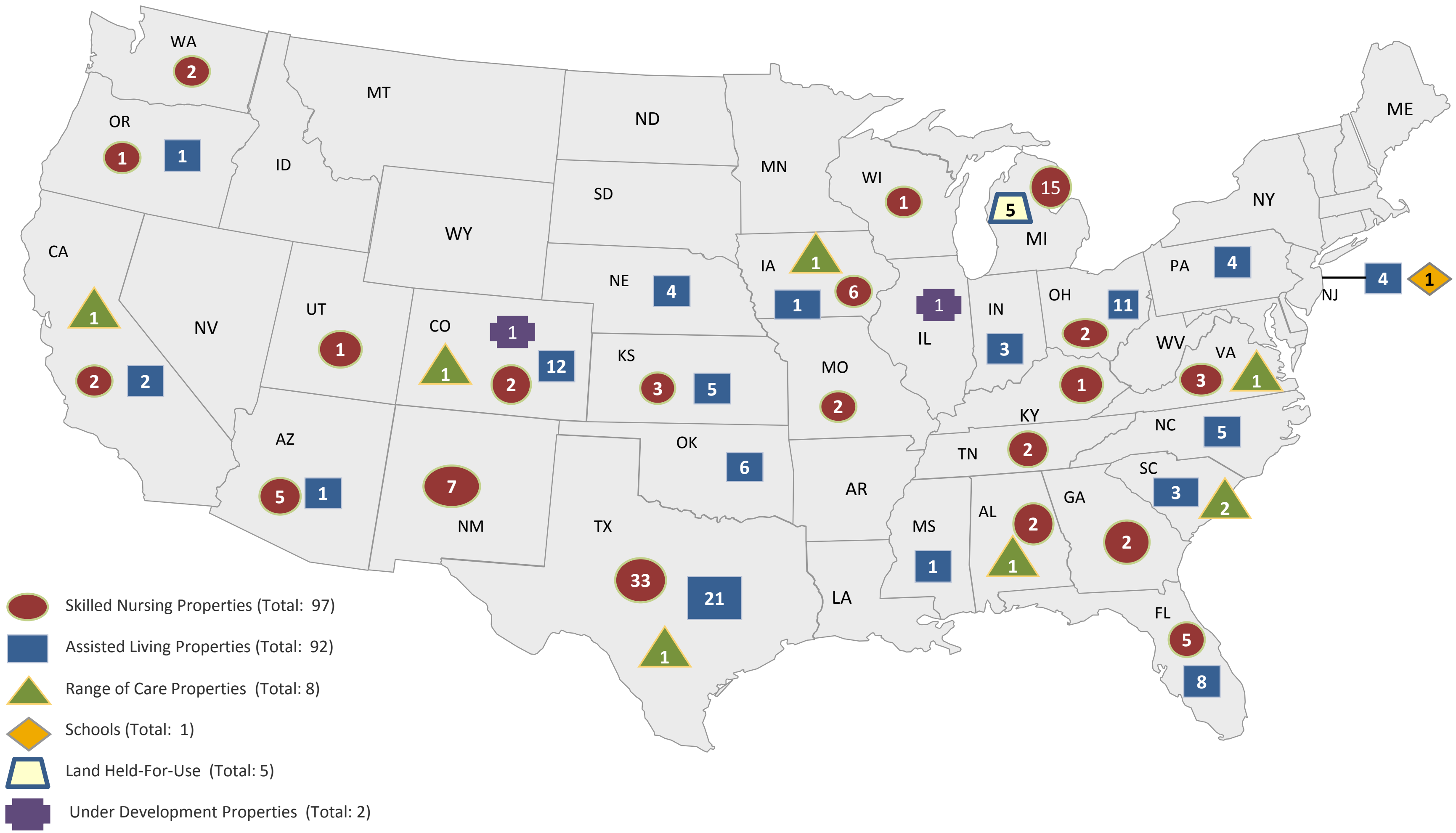
(1) Information is for the trailing twelve months through September 30, 2014 and June 30, 2014 and is from property level operator financial statements which are unaudited and have not been independently verified by us.

Stabilized Property Portfolio Quality Mix

Owned Properties Payor Source [1]	For the Twelve Months Ended September 30, 2014
Private Pay	55.4%
Medicare	16.5%
Medicaid	28.1%

(1) Quality mix for our skilled nursing portfolio, for the twelve months presented, is 25.6% Private Pay, 27.9% Medicare, and 46.5% Medicaid.

Real Estate Portfolio Diversification



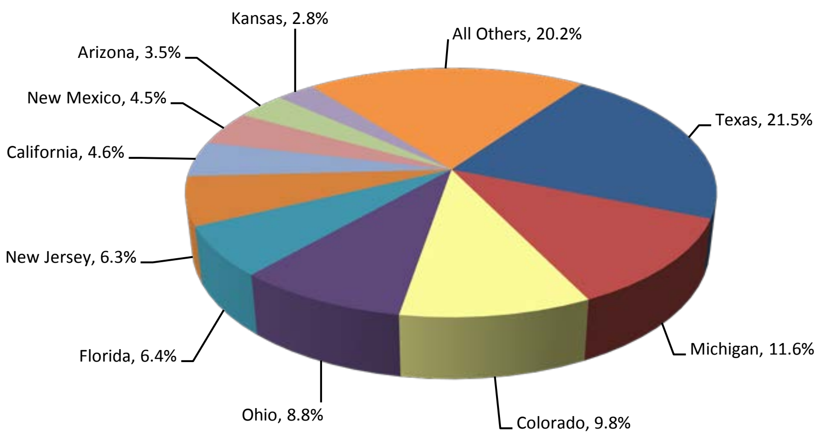
LTC owns or holds mortgages on 198 properties, two parcels of land under development, and five parcels of land held-for-use in 29 states.

Real Estate Portfolio Diversification

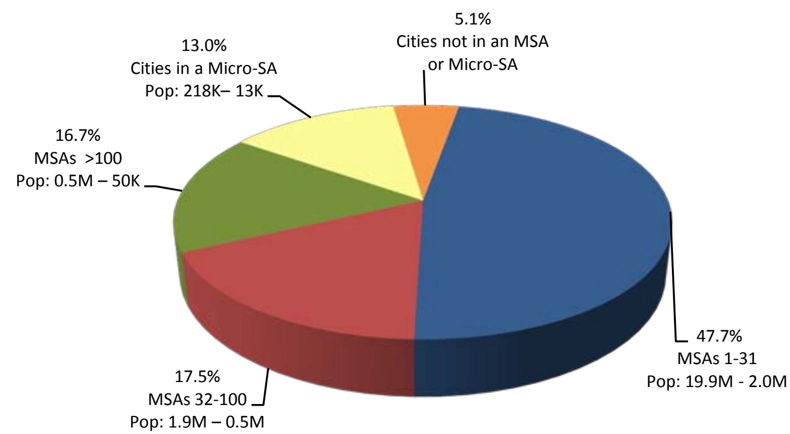
(dollar amounts in thousands)

State Diversification By Property Type - Owned and Loan Portfolio

Gross Investment By State



Gross Portfolio By MSA[1]



State [2]	# of Props	SNF	%	ALF	%	ROC	%	UDP	%	OTH	%	Gross Investment	%
Texas	55	$ 193,087	30.5%	$ 43,458	10.5%	$ 2,994	6.5%	$ -	-	$ -	-	$ 239,539	21.5%
Michigan	15	127,725	20.2%	-	-	-	-	-	-	1,613	14.8%	129,338	11.6%
Colorado	15	6,038	1.0%	92,394	22.2%	2,007	4.3%	9,420	81.9%	-	-	109,859	9.8%
Ohio	13	54,000	8.5%	44,647	10.7%	-	-	-	-	-	-	98,647	8.8%
Florida	13	35,361	5.6%	35,650	8.6%	-	-	-	-	-	-	71,011	6.4%
New Jersey	5	-	-	61,397	14.8%	-	-	-	-	9,270	85.2%	70,667	6.3%
California	5	20,649	3.2%	28,070	6.8%	2,311	5.0%	-	-	-	-	51,030	4.6%
New Mexico	7	50,622	8.0%	-	-	-	-	-	-	-	-	50,622	4.5%
Arizona	6	36,091	5.7%	3,016	0.7%	-	-	-	-	-	-	39,107	3.5%
Kansas	8	14,111	2.2%	17,145	4.1%	-	-	-	-	-	-	31,256	2.8%
All Others	56	95,368	15.1%	89,743	21.6%	38,905	84.2%	2,075	18.1%	-	-	226,091	20.2%
Total	198	$ 633,052	100.0%	$ 415,520	100.0%	$ 46,217	100.0%	$ 11,495	100.0%	$ 10,883	100.0%	$ 1,117,167	100.0%

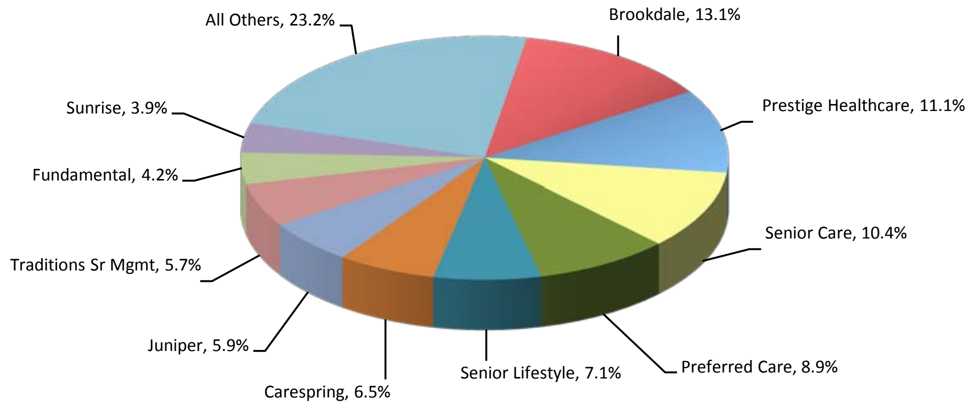
(1) The MSA rank by population as of July 1, 2013, as estimated by the United States Census Bureau.
(2) Due to master leases with properties in multiple states, revenue by state is not available.

Proforma Real Estate Portfolio Diversification

(dollar amounts in thousands)

Operator Diversification – Owned and Loan Portfolio

Annual Income By Operator



Operators[1]	# of Properties	Annual Income [2]	%	Gross Investment	%
Brookdale Senior Living	37	$ 15,606	13.1%	$ 123,984	11.1%
Prestige Healthcare	17	13,172	11.1%	141,527	12.7%
Senior Care Centers	9	12,336	10.4%	115,039	10.3%
Preferred Care	29	10,635	8.9%	83,402	7.5%
Senior Lifestyle Management [3]	17	8,458	7.1%	57,349	5.1%
Carespring Health Care Management	3	7,778	6.5%	75,716	6.8%
Juniper Communities	6	7,030	5.9%	87,088	7.8%
Traditions Senior Management	5	6,810	5.7%	63,402	5.7%
Fundamental	5	4,970	4.2%	45,221	4.0%
Sunrise Senior Living	6	4,614	3.9%	37,659	3.4%
All Others	64	27,455	23.2%	286,780	25.6%
	198	$ 118,864	100.0%	$ 1,117,167	100.0%

(1) We have investments in 29 states leased or mortgaged to 36 different operators.
(2) Includes annualized GAAP rent for leased properties and twelve months interest income from properties secured by mortgage loans. Proforma includes rents from re-leased properties formerly operated by Enlivant as of January 1, 2015.
(3) Effective January 1, 2015, Senior Lifestyle Management began operating 13 properties formerly operated by Enlivant.

Proforma Top Ten Operators

Brookdale Senior Living (NYSE: BKD) operates more than 1,150 independent living, assisted living, and memory care communities and continuing care retirement centers, with the ability to serve approximately 110,000 residents. As of December 31, 2014, the LTC portfolio consisted of 37 assisted living properties in nine states with a gross investment balance of $124.0 million.

Prestige Healthcare (privately held) provides skilled nursing, assisted living, and independent living services, and other rehabilitative and healthcare services at 35 facilities in seven states. As of December 31, 2014, the LTC portfolio consisted of 15 skilled nursing properties and five parcels of land held-for-use in Michigan and two range of care properties in South Carolina with a gross investment balance of $141.5 million.

Senior Care Centers (privately held) provides skilled nursing care, memory care, assisted living, and independent living services in 80 facilities exclusively in Texas. As of December 31, 2014, the LTC portfolio consisted of nine skilled nursing properties in Texas with a gross investment balance of $115.0 million.

Preferred Care (privately held) operates 108 facilities comprised of skilled nursing, assisted living, and independent living facilities, as well as five specialty care facilities, in 12 states. As of December 31, 2014, the LTC portfolio consisted of 27 skilled nursing and two range of care properties in six states with a gross investment balance of $83.4 million. They also operate one skilled nursing facility under a sub-lease with another lessee in our portfolio which is not included in the Preferred Care annual income.

Senior Lifestyle (privately held) manages 167 communities consisting of independent living, assisted living, memory care, skilled nursing and rehabilitative, affordable senior apartments, and short term stays in 27 states. As of proforma December 31, 2014, the LTC portfolio consisted of 17 assisted living properties in seven states, with a gross investment balance of $57.3 million.

Carespring Health Care Management (privately held) provides skilled nursing, assisted living, and independent living services, and other rehabilitative and healthcare services at 11 facilities in two states. As of December 31, 2014, the LTC portfolio consisted of three skilled nursing properties in two states with a gross investment balance of $75.7 million.

Juniper Communities (privately held) operates 20 facilities comprised of skilled nursing, assisted living, memory care, and independent living facilities in four states. As of December 31, 2014, the LTC portfolio consisted of six assisted living and memory care properties in three states with a gross investment balance of $87.1 million.

Traditions Senior Management (privately held) operate 28 facilities consisting of independent living, assisted living, and skilled nursing facilities in eight states. As of December 31, 2014, the LTC portfolio consisted of four skilled nursing properties and one range of care property in three states with a gross investment balance of $63.4 million. They also operate two skilled nursing properties under a sub-lease with Preferred Care, Inc. which is not included in the Traditions Senior Management annual income.

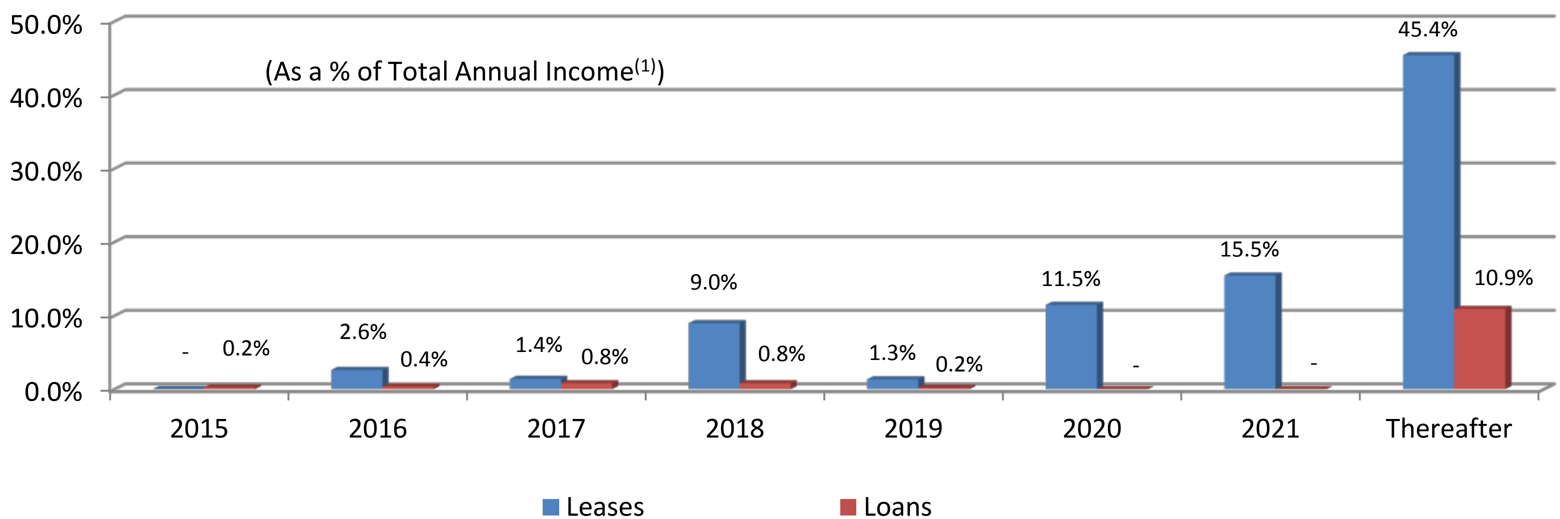
Fundamental (privately held) includes skilled nursing facilities, assisted living facilities, long term acute care hospitals, hospices, outpatient clinics, behavioral health services and other healthcare services at 77 locations in 9 states. As of December 31, 2014, the LTC portfolio consisted of five skilled nursing properties in three states, with a gross investment balance of $45.2 million.

Sunrise Senior Living (privately held), through its subsidiaries, operates 302 communities in the United States, Canada, and the United Kingdom. Sunrise offers a full range of senior living services, including independent living, assisted living, memory care, as well as nursing and rehabilitative services. As of December 31, 2014, the LTC portfolio consisted of six assisted living properties in two states, with a gross investment balance of $37.7 million.

Proforma Real Estate Portfolio Maturity

(dollar amounts in thousands)

Year	Rental Income[(1)]	% of Total	Interest Income[(1)]	% of Total	Annual Income[(1)]	% of Total
2015	$ -	-	$ 282	1.8%	282	0.2%
2016	3,097	3.0%	426	2.7%	3,523	3.0%
2017	1,653	1.6%	965	6.1%	2,618	2.2%
2018	10,666	10.4%	973	6.1%	11,639	9.8%
2019	1,596	1.5%	233	1.5%	1,829	1.5%
2020	13,631	13.2%	-	-	13,631	11.5%
2021	18,365	17.8%	-	-	18,365	15.5%
Thereafter	53,994	52.5%	12,983	81.8%	66,977	56.3%
Total	$ 103,002	100.0%	$ 15,862	100.0%	$ 118,864	100.0%



(1) Includes annualized GAAP rent for leased properties and twelve months interest income from properties secured by mortgage loans. Proforma includes rents from re-leased properties formerly operated by Enlivant as of January 1, 2015.

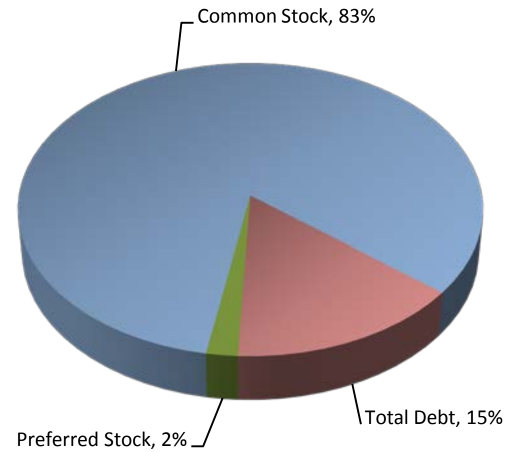
Enterprise Value

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

	No. of shares	12/31/14 Closing Price	At December 31, 2014	Capitalization
Debt				
Bank borrowings [1]			$ -	
Senior unsecured notes -weighted average rate 4.8% [2]			281,633	
Total debt			281,633	15%
Equity				
Preferred stock - Series C [3]			38,500	2%
Common stock [4]	35,480,261	$ 43.17 [5]	1,531,683	83%
Total equity			1,570,183	85%
Total Market Value			**$ 1,851,816**	100%
Less: Cash and cash equivalents			(25,237)	
Enterprise Value			**$ 1,826,579**	

Debt to Enterprise Value	15.4%
Debt & Preferred to Enterprise Value	17.5%
Debt to Normalized EBITDA [6]	2.6x

Capitalization



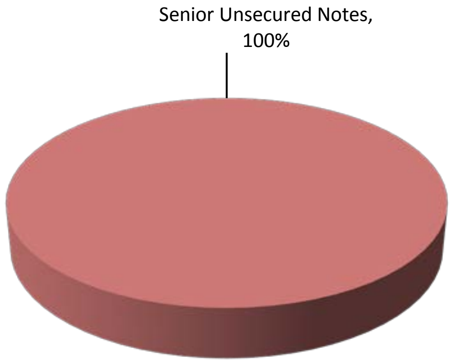
(1) We amended our Unsecured Credit Agreement increasing the commitment to $400,000 with the opportunity to increase the credit line up to $600,000. The maturity of the facility was also extended to October 14, 2018.
(2) Includes amortization of debt issue cost.
(3) Non-traded shares. Two million shares outstanding with a face rate of 8.5% and a liquidation value of $19.25 per share, convertible into common stock on a one-for-one basis. Our Series C preferred stock is not redeemable by us.
(4) Traded on NYSE.
(5) Closing price of our common stock as reported by the NYSE on December 31, 2014, the last trading day of fourth quarter 2014.
(6) Normalized EBITDA for the twelve months ended December 31, 2014. See page 20 for reconciliation of normalized EBITDA.

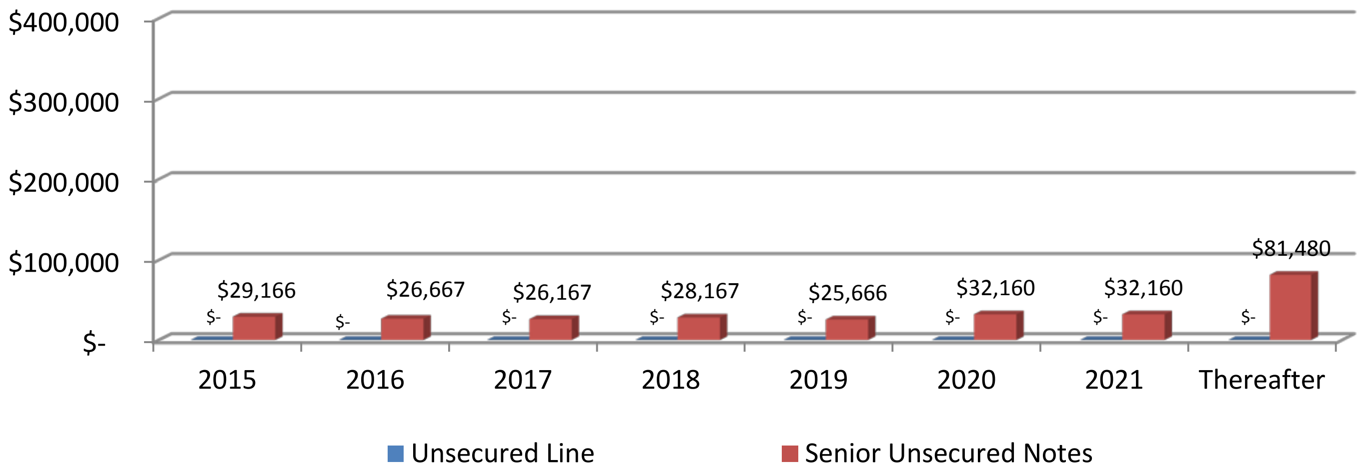
Debt Maturity

(dollar amounts in thousands)

Year	Unsecured Line of Credit (1)	Senior Unsecured Notes (2)	Total
2015	$ -	$ 29,166	$ 29,166
2016	-	26,667	26,667
2017	-	26,167	26,167
2018	-	28,167	28,167
2019	-	25,666	25,666
2020	-	32,160	32,160
2021	-	32,160	32,160
Thereafter	-	81,480	81,480
Total	$ -	$ 281,633	$ 281,633

Debt Structure





(1) During 2014, we amended our Unsecured Credit Agreement increasing the commitment to $400,000 with the opportunity to increase the credit line up to $600,000. The maturity of the facility was also extended to October 14, 2018.

(2) Reflects scheduled principal payments.

Financial Data Summary

(dollar amounts in thousands)

Balance Sheet, Leverage Ratios and Coverage Ratios

	For the Year Ended			
	12/31/14	12/31/13	12/31/12	12/31/11
Balance Sheet:				
Gross real estate assets	$1,117,167	$1,104,732	$940,176	$779,033
Net real estate assets	892,179	884,361	740,846	599,916
Gross asset value	1,190,807	1,151,781	988,922	826,214
Total debt	281,633	278,835	303,935	159,200
Total liabilities	305,698	298,972	326,484	178,387
Preferred stock	38,500	38,500	38,500	38,500
Total equity	660,121	632,438	463,108	468,710
Leverage Ratios:				
Debt to gross asset value	23.7%	24.2%	30.7%	19.3%
Debt & preferred stock to gross asset value	26.9%	27.6%	34.6%	23.9%
Debt to total enterprise value	15.4%	18.1%	21.6%	14.1%
Debt & preferred stock to total enterprise value	17.5%	20.6%	24.3%	17.5%
Coverage Ratios:				
Debt to normalized EBITDA	2.6x	2.9x	3.7x	2.1x
Normalized EBITDA / interest incurred	7.3x	7.7x	8.3x	11.7x
Normalized EBITDA / fixed charges	6.0x	6.1x	6.2x	6.3x

Financial Data Summary

(dollar amounts in thousands)

Reconciliation of Normalized EBITDA and Fixed Charges

	For the Year Ended			
	12/31/14	12/31/13	12/31/12	12/31/11
Net income	$ 73,399	$ 57,815	$ 51,327	$ 49,443
Less: Gain on sale of real estate, net	(4,959)	(1,605)	(16)	-
Add: Interest expense	13,128	11,364	9,932	6,434
Add: Depreciation and amortization (includes discontinued operations)	25,529	24,706	22,153	19,623
Adjusted EBITDA	107,097	92,280	83,396	75,500
Add back/(deduct):				
Non-recurring one-time items	-	2,687 (1)	(347) (2)	-
Normalized EBITDA	$ 107,097	$ 94,967	$ 83,049	$ 75,500
Interest expense:	$ 13,128	$ 11,364	$ 9,932	$ 6,434
Add: Capitalized interest	1,506	932	129	45
Interest incurred	14,634	12,296	10,061	6,479
Interest incurred	14,634	12,296	10,061	6,479
Preferred stock dividend	3,273	3,273	3,273	5,512
Fixed Charges	$ 17,907	$ 15,569	$ 13,334	$ 11,991

(1) Represents the one-time severance and accelerated restricted stock vesting charge of $707 related to the retirement of the Company's former Senior Vice President, Marketing and Strategic Planning, a $1,244 provision for loan loss reserve on a $124,387 mortgage loan origination, and an $869 non-cash write-off of straight-line rent offset by revenue from the Sunwest bankruptcy settlement distribution of $133.

(2) Represents revenue from the Sunwest bankruptcy settlement distribution.

Non-Cash Rental Revenue Components

	4Q14(1)	1Q15(1)	2Q15(1)	3Q15(1)	4Q15(1)
Straight-line rent	$1,081	$1,992	$1,931	$1,651	$1,296
Amort of lease inducement	(289)	(312)	(312)	(312)	(313)
Net	$ 792	$1,680	$1,619	$1,339	$ 983

(1) For leases in place at December 31, 2014, including the re-leasing of the 20 properties formerly operated by Enlivant and assuming no modification or replacement of existing leases, no lease renewals, and no new leased investments are added to our portfolio.

Consolidated Statements of Income

(amounts in thousands, except per share amounts)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2014	2013	2014	2013
	(unaudited)		*(audited)*	
Revenues				
Rental income	$ 26,474	$ 25,259	$ 101,849	$ 98,166
Interest income from mortgage loans	4,108	3,103	16,553	6,298
Interest and other income	173	231	559	510
Total revenues	30,755	28,593	118,961	104,974
Expenses				
Interest expense	3,683	2,852	13,128	11,364
Depreciation and amortization	6,594	6,237	25,529	24,389
(Recovery) provisions for doubtful accounts	(46)	2,139	32	2,180
General and administrative expenses	3,343	2,715	11,832	11,636
Total expenses	13,574	13,943	50,521	49,569
Operating Income	17,181	14,650	68,440	55,405
Gain on sale of real estate, net	3,819	-	4,959	-
Income from continuing operations	21,000	14,650	73,399	55,405
Discontinued operations:				
Income from discontinued operations	-	-	-	805
Gain on sale of real estate, net	-	-	-	1,605
Net income from discontinued operations	-	-	-	2,410
Net Income	21,000	14,650	73,399	57,815
Income allocated to participating securities	(138)	(99)	(481)	(383)
Income allocated to preferred stockholders	(819)	(819)	(3,273)	(3,273)
Net income available to common stockholders	$ 20,043	$ 13,732	$ 69,645	$ 54,159
Basic earnings per common share:	$0.58	$0.40	$2.01	$1.64
Diluted earnings per common share:	$0.57	$0.40	$1.99	$1.63
Weighted average shares used to calculate earnings per common share:				
Basic	34,678	34,555	34,617	33,111
Diluted	36,698	34,582	36,640	33,142

Consolidated Balance Sheets

(audited, amounts in thousands)

	December 31, 2014	December 31, 2013
ASSETS		
Real estate investments:		
Land	$ 80,024	$ 80,993
Buildings and improvements	869,814	856,624
Accumulated depreciation and amortization	(223,315)	(218,700)
Net real estate property	726,523	718,917
Mortgage loans receivable, net of loan loss reserves: 2014 - $1,673; 2013 - $1,671	165,656	165,444
Real estate investments, net	892,179	884,361
Other assets:		
Cash and cash equivalents	25,237	6,778
Debt issue costs, net	3,782	2,458
Interest receivable	597	702
Straight-line rent receivable, net of allowance for doubtful accounts: 2014 - $731; 2013 - $1,541	32,651	29,760
Prepaid expenses and other assets	9,931	6,756
Notes receivable	1,442	595
Total assets	**$ 965,819**	**$ 931,410**

	December 31, 2014	December 31, 2013
LIABILITIES		
Bank borrowings	$ -	$ 21,000
Senior unsecured notes	281,633	255,800
Bonds payable	-	2,035
Accrued interest	3,556	3,424
Earn-out liabilities	3,258	-
Accrued expenses and other liabilities	17,251	16,713
Total liabilities	305,698	298,972
EQUITY		
Stockholders' equity:		
Preferred stock (1)	38,500	38,500
Common stock (2)	355	347
Capital in excess of par value	717,396	688,654
Cumulative net income	855,247	781,848
Other comprehensive income	82	117
Cumulative distributions	(951,459)	(877,028)
Total equity	660,121	632,438
Total liabilities and equity	**$ 965,819**	**$ 931,410**

(1) Preferred stock $0.01 par value; 15,000 shares authorized; shares issued and outstanding: 2014 - 2,000; 2013 - 2,000

(2) Common stock $0.01 par value; 60,000 shares authorized; shares issued and outstanding: 2014 - 35,480; 2013 - 34,746

Funds from Operations

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

Reconciliation of Normalized FFO, Normalized AFFO, and Normalized FAD

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2014	2013	2014	2013
Net income available to common stockholders	$ 20,043	$ 13,732	$ 69,645	$ 54,159
Add: Depreciation and amortization (includes discontinued operations)	6,594	6,237	25,529	24,706
Less: Gain on sale of real estate, net	(3,819)	-	(4,959)	(1,605)
FFO available to common stockholders	22,818	19,969	90,215	77,260
Add: Non-recurring one-time items	-	1,980 (1)	-	2,687 (2)
Normalized FFO available to common stockholders	**22,818**	**21,949**	**90,215**	**79,947**
Less: Non-cash rental income	(792)	(790)	(2,161)	(3,295)
Normalized adjusted FFO (AFFO)	22,026	21,159	88,054	76,652
Add: Non-cash compensation charges	927	541	3,253	2,134
Add: Non-cash interest related to earn-out liabilities	18	-	18	256
Less: Capitalized interest	(290)	(214)	(1,506)	(932)
Normalized funds available for distribution (FAD)	$ 22,681	$ 21,486	$ 89,819	$ 78,110
Diluted FFO available to common stockholders per share	$0.64	$0.57	$2.55	$2.29
Diluted normalized FFO available to common stockholders per share	**$0.64**	**$0.62**	**$2.55**	**$2.37**
Diluted normalized AFFO per share	$0.62	$0.60	$2.49	$2.27
Diluted normalized FAD per share	$0.64	$0.61	$2.54	$2.31

(1) Comprised of a $1,244 provision for loan loss reserve on a $124,387 mortgage loan origination and an $869 non-cash write-off of straight-line rent offset by revenue from the Sunwest bankruptcy settlement distribution of $133.

(2) Represents the one-time severance and accelerated restricted stock vesting charge of $707 related to the retirement of the Company's former Senior Vice President, Marketing and Strategic Planning and (1) above.

Funds from Operations

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

Reconciliation of Normalized FFO Per Share

	Three Months Ended December 31, 2014	Three Months Ended December 31, 2013	Twelve Months Ended December 31, 2014	Twelve Months Ended December 31, 2013
Normalized FFO available to common stockholders	**$ 22,818**	**$ 21,949**	**$ 90,215**	**$ 79,947**
Effect of dilutive securities:				
Participating securities	138	99	481	383
Convertible preferred securities	819	819	3,273	3,273
Diluted normalized FFO available to common stockholders	**$ 23,775**	**$ 22,867**	**$ 93,969**	**$ 83,603**
Shares for basic FFO per share	**34,678**	**34,555**	**34,617**	**33,111**
Effect of dilutive securities:				
Stock options	20	27	23	31
Participating securities	242	196	226	200
Convertible preferred securities	2,000	2,000	2,000	2,000
Shares for diluted FFO per share	**36,940**	**36,778**	**36,866**	**35,342**
Basic normalized FFO per share	**$0.66**	**$0.64**	**$2.61**	**$2.41**
Diluted normalized FFO per share	**$0.64**	**$0.62**	**$2.55**	**$2.37**

Glossary

Adjusted Funds From Operations ("AFFO"): FFO excluding the effects of straight-line rent and amortization of lease inducement.

Assisted Living Properties ("ALF"): The ALF portfolio consists of assisted living, independent living, and/or memory care properties. (See Independent Living and Memory Care) Assisted living properties are senior housing properties serving elderly persons who require assistance with activities of daily living, but do not require the constant supervision skilled nursing properties provide. Services are usually available 24 hours a day and include personal supervision and assistance with eating, bathing, grooming and administering medication. The facilities provide a combination of housing, supportive services, personalized assistance and health care designed to respond to individual needs.

Contractual Lease Rent: Rental revenue as defined by the lease agreement between us and the operator for the lease year.

EBITDA: Earnings before interest, taxes, depreciation and amortization.

Funds Available for Distribution ("FAD"): AFFO excluding the effects of non-cash compensation charges, capitalized interest and non-cash interest charges.

Funds From Operations ("FFO"): As defined by the National Association of Real Estate Investment Trusts ("NAREIT"), net income available to common stockholders (computed in accordance with U.S. GAAP) excluding gains or losses on the sale of real estate and impairment write-downs of depreciable real estate plus real estate depreciation and amortization, and after adjustments for unconsolidated partnerships and joint ventures.

GAAP Lease Yield: GAAP rent divided by the sum of the purchase price and transaction costs.

GAAP Rent: Total rent we will receive as a fixed amount over the life of the lease and recognized evenly over that life. GAAP rent recorded in the early years of a lease is higher than the cash rent received and during the later years of the lease, the cash rent received is higher than GAAP rent recognized. GAAP rent is commonly referred to as straight-line rental income.

Gross Asset Value: Represents total assets plus accumulated depreciation and loan loss reserves.

Gross Investment: Original price paid for an asset plus capital improvements funded by LTC, without any depreciation deductions. Gross Investment is commonly referred to as undepreciated book value.

Independent Living Properties ("ILF"): Senior housing properties offering a sense of community and numerous levels of service, such as laundry, housekeeping, dining options/meal plans, exercise and wellness programs, transportation, social, cultural and recreational activities, on-site security and emergency response programs. Many offer on-site conveniences like beauty/barber shops, fitness facilities, game rooms, libraries and activity centers. ILFs are also known as retirement communities or senior apartments.

Interest Income: Represents interest income from mortgage loans.

Licensed Beds/Units: The number of beds and/or units that an operator is authorized to operate at senior housing and long-term care properties. Licensed beds and/or units may differ from the number of beds and/or units in service at any given time.

Glossary

Memory Care Properties ("MC"): Senior housing properties offering specialized options for seniors with Alzheimer's disease and other forms of dementia. These facilities offer dedicated care and specialized programming for various conditions relating to memory loss in a secured environment that is typically smaller in scale and more residential in nature than traditional assisted living facilities. These facilities have staff available 24 hours a day to respond to the unique needs of their residents.

Metropolitan Statistical Areas ("MSA"): Based on the U.S. Census Bureau, MSA is a geographic entity defined by the Office of Management and Budget (OMB) for use by Federal statistical agencies in collecting, tabulating, and publishing Federal statistics. A metro area contains a core urban area of 50,000 or more population.

Micropolitan Statistical Areas ("Micro-SA"): Based on the U.S. Census Bureau, Micro-SA is a geographic entity defined by the Office of Management and Budget (OMB) for use by Federal statistical agencies in collecting, tabulating, and publishing Federal statistics. A micro area contains an urban core of at least 10,000 (but less than 50,000) population.

Net Real Estate Assets: Gross real estate investment less accumulated depreciation. Net Real Estate Asset is commonly referred to as Net Book Value ("NBV").

Non-cash Rental Income: Straight-line rental income and amortization of lease inducement.

Non-cash Compensation Charges: Vesting expense relating to stock options and restricted stock.

Normalized AFFO: AFFO adjusted for non-recurring, infrequent or unusual items.

Normalized EBITDAR Coverage: The trailing twelve month's earnings from the operator financial statements adjusted for non-recurring, infrequent, or unusual items and before interest, taxes, depreciation, amortization, and rent divided by the operator's contractual lease rent. Management fees are imputed at 5% of revenues.

Normalized EBITDARM Coverage: The trailing twelve month's earnings from the operator financial statements adjusted for non-recurring, infrequent, or unusual items and before interest, taxes, depreciation, amortization, rent, and management fees divided by the operator's contractual lease rent.

Normalized FAD: FAD adjusted for non-recurring, infrequent or unusual items.

Normalized FFO: FFO adjusted for non-recurring, infrequent or unusual items.

Occupancy: The weighted average percentage of all beds and/or units that are occupied at a given time. The calculation uses the trailing twelve months and is based on licensed beds and/or units which may differ from the number of beds and/or units in service at any given time.

Operator Financial Statements: Property level operator financial statements which are unaudited and have not been independently verified by us.

Private Pay: Private pay includes private insurance, HMO, VA, and other payors.

Glossary

Purchase Price: Represents the fair value price of an asset that is exchanged in an orderly transaction between market participants at the measurement date. An orderly transaction is a transaction that assumes exposure to the market for a period prior to the measurement date to allow for marketing activities that are usual and customary for transactions involving such assets; it is not a forced transaction (for example, a forced liquidation or distress sale).

Quality Mix: 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.

Range of Care ("ROC"): Range of care properties consist of properties providing skilled nursing and any combination of assisted living, independent living and/or memory care services.

Rental Income: Represents GAAP rent net of amortized lease inducement cost.

Same Property Portfolio ("SPP"): Same property statistics allow for the comparative evaluation of performance across a consistent population of LTC's leased property portfolio. Our SPP is comprised of stabilized properties owned and operated throughout the duration of the quarter-over-quarter comparison periods presented (excluding assets sold and assets held-for-sale). Accordingly, a leased property must be owned and stabilized for a minimum of 15 months to be included in our SSP.

School: An institution for educating students which includes a charter school. Charter schools provide an alternative to the traditional public school and are generally autonomous entities authorized by the state or locality to conduct operations independent from the surrounding public school district. Laws vary by state, but generally charters are granted by state boards of education either directly or in conjunction with local school districts or public universities. Operators are granted charters to establish and operate schools based on the goals and objectives set forth in the charter. Upon receipt of a charter, schools receive an annuity from the state for each student enrolled.

Skilled Nursing Properties ("SNF"): Senior housing properties providing restorative, rehabilitative and nursing care for people not requiring the more extensive and sophisticated treatment available at acute care hospitals. Many SNFs provide ancillary services that include occupational, speech, physical, respiratory and IV therapies, as well as sub-acute care services which are paid either by the patient, the patient's family, private health insurance, or through the federal Medicare or state Medicaid programs.

Stabilized: Properties are generally considered stabilized upon the earlier of achieving certain occupancy thresholds (e.g. 80% for SNFs and 90% for ALFs) and, as applicable, 12 months from the date of acquisition or, in the event of a de novo development, redevelopment, major renovations or addition, 24 months from the date the property is first placed in or returned to service.

Under Development Properties ("UDP"): Development projects to construct senior housing properties.