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LTC Reduces 2021 Rent Escalations

WESTLAKE VILLAGE, Calif.--(BUSINESS WIRE)-- LTC Properties, Inc. (NYSE: LTC), a real estate investment trust that primarily invests in seniors housing and health care properties, today announced it is reducing 2021 rent escalations by 50% in the form of a rent credit to provide financial support to the majority of its operating partners during the ongoing pandemic.

“Our operating partners have done a tremendous job of caring for their residents and patients during the COVID-19 crisis,” said Wendy Simpson, LTC’s Chairman and CEO. “After listening carefully to their needs, and to give back to our industry, we are providing partial relief from 2021 rent escalations so that our operating partners have additional funds at a time during which they need them most. This additional assistance will help our partners as they continue to deliver outstanding and safe care to our nation’s seniors.”

The one-time rent escalation reduction is expected to have an approximate \$560,000 impact on LTC’s 2021 first quarter GAAP revenue, and an approximate \$1.4 million, or \$0.03 per diluted share, impact on first quarter FAD (funds available for distribution). Rent escalations occur in various months during the year, but LTC is allowing its operating partners to apply the full amount of the escalator reduction toward rent due in January to assist with their cash needs.

“Since the beginning of the pandemic, our Board has discussed various ways LTC could provide support to our operating partners, while balancing its fiduciary responsibilities to shareholders. While the Board is fully aware that FAD will be reduced as a result of the aid we are providing, it unanimously supports the decision as well as our focus on striving to replace the funds with accretive transactions in 2021.”

“There is a light at the end of the tunnel, and we remain hopeful that vaccines will be distributed quickly to those who need it most,” continued Simpson. “We are grateful for the excellent strides our industry has made in caring for those most vulnerable, and will continue to do our part to support both our operators and our industry.”

About LTC

LTC is a real estate investment trust (REIT) investing in seniors housing and health care properties primarily through sale-leasebacks, mortgage financing, joint-ventures and structured finance solutions including preferred equity and mezzanine lending. LTC holds 181 investments in 27 states with 29 operating partners. The portfolio is comprised of approximately 50% seniors housing and 50% skilled nursing properties. Learn more at www.LTCreit.com.

Forward Looking Statements

This press release includes statements that are not purely historical and are “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, including statements regarding the Company’s expectations, beliefs, intentions or strategies regarding the future. All statements other than historical facts contained in this press release are forward looking statements. These forward looking statements involve a number of risks and uncertainties. Please see LTC’s most recent Annual Report on Form 10-K, its subsequent Quarterly Reports on Form 10-Q, and its other publicly available filings with the Securities and Exchange Commission for a discussion of these and other risks and uncertainties. All forward looking statements included in this press release are based on information available to the Company on the date hereof, and LTC assumes no obligation to update such forward looking statements. Although the Company’s management believes that the assumptions and expectations reflected in such forward looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. The actual results achieved by the Company may differ materially from any forward looking statements due to the risks and uncertainties of such statements.

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