

January 8, 2024



## LTC Completes Brookdale Portfolio Transaction

***-- Three New Master Leases; Net Proceeds of \$23 Million; Anticipated Net Gain of \$17 Million Related to Property Sales; Full Rent Replaced --***

WESTLAKE VILLAGE, Calif.--(BUSINESS WIRE)-- [LTC Properties Inc. \(NYSE: LTC\)](#) (“LTC” or the “Company”), a real estate investment trust that invests in seniors housing and health care properties, today announced the completion of its previously announced process involving its 35-property Brookdale Senior Living (“Brookdale”) portfolio. Revenue from the portfolio will be fully replaced through a combination of new leases, interest related to seller financing, and pre-invested proceeds at a weighted average yield of 8.5%. The transactions reduce LTC’s revenue concentration from Brookdale by 40%.

The 35-property assisted living portfolio was modified as follows:

- 17 communities across four states including Colorado (six), Texas (six), Kansas (four), and Ohio (one), with a total of 738 units, were re-leased to Brookdale. The new master lease, which commenced in January 2024, is for six years at an initial annual rent of \$9.3 million.
- Five communities in Oklahoma, with a total of 184 units, were transferred and are now being operated by Oxford Senior Living, an existing LTC operator. The new master lease, which commenced in November 2023, is for three years, with one four-year extension, at an initial annual rent of \$960,000.
- Five communities in North Carolina, with a total of 210 units, were transferred and are now being operated by Navion Senior Solutions, an operator new to LTC. The master lease, which commenced in January 2024, is for six years at an initial annual rent of \$3.3 million.
- Eight communities across three states including Florida (four), South Carolina (three), and Oklahoma (one), with a total of 341 units, were sold for \$28.0 million. LTC received proceeds of \$23.2 million, net of transaction costs and seller financing, and anticipates recording a gain of \$17.0 million related to the sales. The Company provided seller financing collateralized by two of the Florida properties, with a total of 92 units. The \$4.0 million seller-financed mortgage loan term is two years, with a one-year extension, at an interest rate of 8.75%.

“LTC committed to successfully position the previous Brookdale portfolio by re-leasing some properties and selling others. We are pleased to have reached a favorable outcome,” said

Wendy Simpson, LTC’s Chairman and Chief Executive Officer. “Importantly, rent from the previous portfolio has been fully replaced, and we’ve generated sales proceeds to pay down a portion of our debt, which was incurred to pre-fund accretive investments earlier this year.”

## **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’s investment portfolio includes 200 properties in 27 states with 30 operating partners. Based on its gross real estate investments, LTC’s investment portfolio is comprised of approximately 50% seniors housing and 50% skilled nursing properties. Learn more at [www.LTCreit.com](http://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. All forward-looking statements included in this press release are based on information available to the Company on the date hereof, and the Company 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.

*(tables follow)*

**Brookdale Lease Transition Summary**  
*(\$ in thousands)*

	<b>Number of Properties</b>	<b>Number of Units</b>	<b>State(s)</b>	<b>Year-One Revenue</b>
Brookdale New Master Lease	17	738	CO, KS, OH & TX	\$ 9,325
Oklahoma Portfolio	5	184	OK	960
North Carolina Portfolio	5	210	NC	3,300
<b>Total Rent from New Leases:</b>	<b>27</b>	<b>1,132</b>		<b>\$ 13,585</b>
<b>Seller-Financed Mortgage Loan<sup>(1)</sup></b>				<b>350</b>
<b>Pre-Invested Net Sales Proceeds<sup>(2)</sup></b>				<b>1,975</b>
<b>Total Brookdale Replacement Income</b>				<b>\$ 15,910</b>
<b>Brookdale 2023 Rental Income</b>				<b>\$ 15,418</b>
<b>Revenue Increase</b>				<b>\$ 492</b>

- 1) Collateralized by two communities located in Florida with a total of 92 units with a two-year term at a yield of 8.75%.
- 2) Represents income from sales proceeds of \$23,232 using LTC's 2023 pre-investment weighted-average yield of 8.5%. See sales table below for further information.

**Brookdale Portfolio Sale Summary**  
*(\$ in thousands)*

State	Number of Properties	Number of Units	Sales Price	Net Proceeds	Anticipated Gain
Florida <sup>(1)</sup>	4	176	\$ 18,750	\$ 14,310	\$ 13,300
South Carolina	3	128	8,409	8,153	3,700
Oklahoma	1	37	800	769	—
<b>Total</b>	<b>8</b>	<b>341</b>	<b>\$ 27,959</b>	<b>\$ 23,232</b>	<b>\$ 17,000</b>
1) Sale includes \$4,000 of seller financing.					

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