UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20459

FORM 10-Q

(Mark One)

x **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2003

OR

o **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Transition period from ____ to ____

Commission file number 1-11314

LTC PROPERTIES, INC.
(Exact name of Registrant as specified in its charter)

Maryland	71-0720518
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No)

22917 Pacific Coast Highway, Suite 350
Malibu, California 90265
(Address of principal executive offices)

(805) 981-8655
(Registrant's telephone number, including area code)

Indicate by check mark whether Registrant (1) has filed all reports to be filed by section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes x No o

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act).

Yes x No o

Shares of Registrant's common stock, $.01 par value, outstanding at May 8, 2003 – 17,716,322

LTC PROPERTIES, INC.

FORM 10-Q

March 31, 2003

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LTC PROPERTIES, INC.
CONSOLIDATED BALANCE SHEETS
(Amounts in thousands, except per share amounts)

	March 31, 2003	December 31, 2002
	(Unaudited)	
ASSETS		
Real Estate Investments:		
Buildings and improvements, net of accumulated depreciation and amortization: 2003 - $67,512; 2002 - $64,316	$ 375,898	$ 379,228
Land	26,112	26,112
Mortgage loans receivable, net of allowance for doubtful accounts: 2003 - $1,280; 2002 - $1,280	82,297	82,675
REMIC Certificates	64,122	64,419
Real estate investments, net	548,429	552,434
Other Assets:		
Cash and cash equivalents	8,888	8,001
Debt issue costs, net	4,670	5,309
Interest receivable	3,665	3,781
Prepaid expenses and other assets	2,778	2,069
Notes receivable (includes $3,095 due from CLC Healthcare, Inc. in 2003 and 2002)	15,575	15,622
Marketable debt securities	8,127	7,968
Line of credit due from CLC Healthcare, Inc.	4,745	4,741
	48,448	47,491
Total Assets	$ 596,877	$ 599,925
LIABILITIES AND STOCKHOLDERS' EQUITY		
Bank borrowings	$ 48,421	$ 48,421
Mortgage loans and notes payable	136,384	136,971
Bonds payable and capital lease obligations	14,930	15,361
Senior mortgage participation payable	29,455	29,667
Accrued interest	1,117	1,293
Accrued expenses and other liabilities	5,646	6,419
Distributions payable	1,799	981
Total Liabilities	237,752	239,113
Minority interest	13,155	13,399
Stockholders' equity:		
Preferred stock $0.01 par value: 10,000 shares authorized; shares issued and outstanding: 2003 - 7,052; 2002 - 7,062	164,986	165,183
Common stock: $0.01 par value; 40,000 shares authorized; shares issued and outstanding: 2003 – 17,876; 2002 – 18,055	179	181
Capital in excess of par value	251,801	253,050
Cumulative net income	254,513	250,629
Other	(4,414)	(6,112)
Cumulative distributions	(321,095)	(315,518)
Total Stockholders' Equity	345,970	347,413
Total Liabilities and Stockholders' Equity	$ 596,877	$ 599,925

See accompanying notes.

LTC PROPERTIES, INC.
CONSOLIDATED STATEMENTS OF INCOME
(Amounts in thousands, except per share amounts)
(Unaudited)

	Three Months Ended March 31	
	2003	2002
Revenues:		
Rental income	$ 9,965	$ 10,634
Interest income from mortgage loans and notes receivable	2,507	2,593
Interest income from REMIC Certificates	2,786	3,267
Interest and other income	832	745
Total revenues	16,090	17,239
Expenses:		
Interest expense	5,192	5,426
Depreciation and amortization	3,232	3,575
Impairment charge	1,260	—
Operating and other expenses	2,201	1,638
Total expenses	11,885	10,639
Income before minority interest	4,205	6,600
Minority interest	(321)	(321)
Income from continuing operations	3,884	6,279
Discontinued Operations:		
Loss from discontinued operations	—	(26)
Loss on sale of assets, net	—	(72)
Net loss from discontinued operations	—	(98)
Net income	3,884	6,181
Preferred stock dividends	(3,761)	(3,758)
Net income available to common stockholders	$ 123	$ 2,423
Net Income per Common Share from Continuing Operations Net of Preferred Stock Dividends:		
Basic	$ 0.01	$ 0.14
Diluted	$ 0.01	$ 0.14
Loss per Common Share from Discontinued Operations:		
Basic	—	$ (0.01)
Diluted	—	$ (0.01)
Net Income per Common Share Available to Common Stockholders:		
Basic	$ 0.01	$ 0.13
Diluted	$ 0.01	$ 0.13
Comprehensive Income		
Net income available to common stockholders	$ 123	$ 2,423
Unrealized gain on available for-sale securities	—	28
Reclassification adjustment	1,303	—
Total comprehensive income	$ 1,426	$ 2,451

See accompanying notes.

LTC PROPERTIES, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Amounts in thousands)
(Unaudited)

	Three Months Ended March 31,	
	2003	**2002**
OPERATING ACTIVITIES:		
Net income	$ 3,884	$ 6,181
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	3,232	3,713
Impairment charge	1,260	—
Other non-cash charges	977	1,094
Loss on sale of real estate investments, net	—	72
Decrease in accrued interest	(176)	(108)
Net change in other assets and liabilities	(1,753)	(1,889)
Net cash provided by operating activities	7,424	9,063
INVESTING ACTIVITIES:		
Investment in real estate properties and capital improvements, net	(86)	(653)
Proceeds from sale of real estate investments and other assets, net	220	(458)
Principal payments on mortgage loans receivable	347	4,009
Advances under line of credit to CLC Healthcare, Inc.	(950)	(704)
Payments from CLC Healthcare, Inc. on line of credit	946	611
Other	72	1,587
Net cash provided by investing activities	549	4,392
FINANCING ACTIVITIES:		
Repayments of bank borrowings under line of credit	—	(7,000)
Repayment of senior mortgage participation	(212)	—
Principal payments on mortgage loans payable and capital lease obligations	(1,018)	(949)
Redemption of convertible subordinated debentures	—	(2,408)
Repurchase of common and preferred stock	(2,093)	—
Distributions paid	(4,759)	(6,422)
Other	996	219
Net cash used in financing activities	(7,086)	(16,560)
Increase (decrease) in cash and cash equivalents	887	(3,105)
Cash and cash equivalents, beginning of period	8,001	6,322
Cash and cash equivalents, end of period	$ 8,888	$ 3,217
SUPPLEMENTAL CASH FLOW INFORMATION:		
Interest paid	$ 4,676	$ 5,255
Non-cash investing and financing transactions:		
Conversion of mortgage loans into owned properties	—	2,332
Assumption of mortgage loans payable for acquisitions of real estate assets	—	1,357

See accompanying notes.

LTC PROPERTIES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. General

LTC Properties, Inc. (the "Company"), a Maryland corporation, is a real estate investment trust ("REIT") that invests primarily in long term care facilities through mortgage loans, facility lease transactions and other investments.

The consolidated financial statements included herein have been prepared by the Company without audit and in the opinion of management include all adjustments necessary for a fair presentation of the results of operations for the three months ended March 31, 2003 and 2002 pursuant to the rules and regulations of the Securities and Exchange Commission. The accompanying consolidated financial statements include the accounts of the Company, its wholly-owned subsidiaries and controlled partnerships. All significant intercompany accounts and transactions have been eliminated in consolidation. Control over those partnerships is based on the provisions of the partnership agreements that provide the Company with a controlling financial interest in the partnerships. Under the terms of the partnership agreements, the Company, as general partner, is responsible for the management of the partnerships' assets, business and affairs. The Company's rights and duties in management of the partnerships include making all operating decisions, setting the capital budgets, executing all contracts, making all employment decisions, and the purchase and disposition of assets, among others. The general partner is responsible for the ongoing, major, and central operations of the partnership and makes all management decisions. In addition, the general partner assumes the risk for all operating losses, capital losses, and is entitled to substantially all capital gains (appreciation).

The limited partners have virtually no rights and are precluded from taking part in the operation, management or control of the partnership. The limited partners are also precluded from transferring their partnership interests without the express permission of the general partner. However, the Company can transfer its interest without consultation or permission of the limited partners.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States have been condensed or omitted pursuant to such rules and regulations; however, the Company believes that the disclosures in the accompanying financial statements are adequate to make the information presented not misleading.

Certain reclassifications have been made to the prior period financial statements to conform to the current year presentation as required by Statement of Financial Accounting Standards ("SFAS") No. 144 "*Accounting for the Impairment or Disposal of Long-Lived Assets*". The results of operations for the three months ended March 31, 2003 are not necessarily indicative of the results for a full year.

No provision has been made for federal or state income taxes. The Company qualifies as a REIT under Sections 856 through 860 of the Internal Revenue Code of 1986, as amended. As such, the Company is not taxed on its income that is distributed to its stockholders.

2. Real Estate Investments

Owned Properties. At March 31, 2003, the Company owned 59 skilled nursing facilities with a total of 6,896 beds, 88 assisted living facilities with 4,182 units and one school located in 23 states.

In October 2001, the Financial Accounting Standards Board issued SFAS No. 144 "*Accounting for the Impairment or Disposal of Long-Lived Assets*", which was required to be adopted in fiscal years beginning after December 15, 2001. SFAS No. 144 on asset impairment supercedes SFAS No. 121, "*Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of*", and provides a single accounting model for long-lived assets to be disposed of. Subsequent to January 1, 2002, and in accordance with SFAS No. 144, properties held for sale on the balance sheet includes only those properties available for immediate sale in their present condition and for which management believes that it is probable that a sale of the property will be completed within one year. Properties held for sale are carried at the lower of cost or fair value less estimated selling costs. No depreciation expense is recognized on properties held for sale once they have been classified as such. In accordance with the implementation provisions of SFAS No. 144, the operating results of real estate assets designated as held for sale subsequent to January 1, 2002 are included in discontinued operations in the consolidated statement of operations. In addition, all gains and losses from real estate sold are also included in discontinued operations.

Set forth in the table below are the components of the net loss from discontinued operations for the three months ended March 31, 2003 and 2002 (unaudited, in thousands):

	Three Months Ended March 31,	
	2003	2002
Rental income	$ —	$ 234
Depreciation amortization	—	(138)
Operating and other expenses	—	(122)
Net loss from discontinued operations	$ —	$ (26)

Mortgage Loans. At March 31, 2003 the Company had 38 mortgage loans secured by first mortgages on 35 skilled nursing facilities with a total of 3,895 beds and eight assisted living facilities with a total of 369 units located in 20 states. At March 31, 2003, the mortgage loans had interest rates ranging from 9.4% to 12.9% and maturities ranging from 2003 to 2018. In addition, the loans contain certain guarantees, provide for certain facility fees and generally have 25-year amortization schedules. The majority of the mortgage loans provide for annual increases in the interest rate based upon a specified increase of 10 to 25 basis points.

REMIC Certificates. As of March 31, 2003, the outstanding certificate principal balance and the weighted average pass-through rate for the senior REMIC Certificates (all held by outside third parties) was $178,241,000 and 7.21%. As of March 31, 2003, the carrying value of the subordinated REMIC Certificates held by the Company was $64,122,000. The effective yield on the subordinated REMIC Certificates held by the Company, based on expected future cash flows discounted to give effect to potential risks associated with prepayments and unanticipated credit losses was 16.43% at March 31, 2003.

Interest only certificates and certificates with an investment rating of "BB" or higher are classified as available-for-sale and unrated certificates and certificates with an investment rating of "B" or lower are classified as held-to-maturity. As of March 31, 2003, available-for-sale certificates were recorded at their fair value of approximately $12,281,000. An unrealized holding gain on available-for-sale certificates of $28,000 was included in comprehensive income for the three months ended March 31, 2002. During the three months ended March 31, 2003, a $1,303,000 impairment charge was recorded related to certain interest-only REMIC Certificates held by the Company. The impairment charge resulted from the changes in assumptions relating to the likelihood of occurrence of prepayments on mortgages underlying the REMIC Certificaes. As such, the $1,303,000 impairment charge was reclassified from unrealized losses (related to fair market value adjustments on available-for-sale certificates) previously recorded in comprehensive income when the Company determined that the change in assumptions may result in declines in certificate values that would be other than temporary. See *Note 3. Impairment Charge* for further discussion.

At March 31, 2003 held-to-maturity certificates had a book value of $51,841,000 and a fair value of $36,304,000. As of March 31, 2003, the effective yield on the available-for-sale certificates and the held-to-maturity certificates, based on expected future cash flows discounted to give effect to potential risks associated with prepayments and unanticipated credit losses, was 34.99% and 11.94%, respectively.

3. Impairment Charge

The Company periodically performs a comprehensive evaluation of its real estate investment portfolio. During 2002, the Company adopted SFAS No. 144 "*Accounting for the Impairment or Disposal of Long-Lived Assets*" and therefore calculates the impairment losses as the excess of the carrying value over the fair value of assets to be held and used, and the carrying value over the fair value less cost to sell in instances where management has determined that the Company will dispose of the property. Prior to 2002, the Company calculated impairment losses using the same methodology as per SFAS No. 121 "*Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed Of*." The long-term care industry has experienced significant adverse changes, which have resulted in continued operating losses by certain of the Company's lessees and borrowers and in some instances the filing by certain lessees and borrowers for bankruptcy protection. As a result of the adverse changes in the long-term care industry, the Company has identified certain investments in skilled nursing properties that it determined had been impaired. These assets were determined to be impaired primarily because the estimated undiscounted future cash flows to be received from these investments are less than the carrying values of the investments.

During the three months ended March 31, 2003, the Company recorded an impairment charge of $1,260,000. Of this charge, $31,000 was to fully reserve a mortgage loan on one skilled nursing facility that was closed in 2002 and not reopened or sold. Additionally, the Company recorded $1,303,000 impairment related to certain interest-only REMIC Certificates net of a $74,000 adjustment of an impairment loss, recognized in the fourth quarter of 2002, related to the Company's investment in REMIC Certificates. $1,303,000 of the net impairment charge had been previously recognized in comprehensive income as a fair market value adjustment on available-for-sale REMIC Certificates as described in *Note 2. Real Estate Investments*. As more fully described in *Note 2. Summary of Significant Accounting Policies* of the Company's 10-K for the year ending December 31, 2002, to the extent there are defaults, unrecoverable losses or prepayments of principal on the underlying mortgages resulting in reduced cash flows, the subordinated REMIC Certificates held by the Company would bear the first risk of loss. During management's periodic evaluation of the realizability of expected future cash flows from the mortgages underlying the Company's REMIC Certificates, there were indications that certain expected future cash flows would not be realized by the REMIC Trust. Accordingly, the Company recorded a net $1,229,000 impairment in current period earnings to reflect the estimated impact on future cash flows from loan prepayments occurring during, or expected to occur subsequent to, the first quarter of 2003 related to certain subordinated REMIC Certificates held by the Company.

The Company believes it has recorded valuation adjustments on all assets for which there are other than temporary impairments. However, the long-term care industry has experienced significant adverse changes, which have resulted in, continued operating losses by certain of the Company's operators and in some instances the filing by certain operators for bankruptcy protection. Thus, the Company cannot predict what, if any, impairment charge may be needed in the future.

4. CLC Healthcare, Inc.

As of March 31, 2003, 23 skilled nursing facilities with 2,617 beds and a net book value of $46,473,000 or 7.8% of the Company's total assets were operated by CLC Healthcare, Inc. ("CLC"). These facilities are leased to CLC under individual leases that provide for total rents of $3,000,000; $4,000,000; $4,750,000; $5,350,000; $5,900,000 and $6,500,000 respectively, in years 2002 through 2007. The leases contain two five-year renewal options with increases of 2% annually. These leases have a provision for acceleration should there be a change of control of CLC, as defined in the leases. In 2002, the Company sold a wholly-owned subsidiary, LTC-Fort Tucum, Inc. to CLC for a $500,000 note bearing no interest for one year and thereafter interest at 8% annually for two years. CLC has certain rights to extend the note at its maturity. LTC-Fort Tucum, Inc. then acquired two skilled nursing facilities in New Mexico subject to a mortgage loan payable to a REMIC pool originated by the Company. During the three months ended March 31, 2003 and 2002, the Company was due rental income of approximately $1,000,000 and $750,000, respectively, from CLC. For the three months ended March 31, 2003 and 2002, the Company classified the rents due from CLC as non-accrual rents.

CLC's Form 10-K for the year ended December 31, 2002 contained a "going concern" qualified opinion from CLC's outside auditors. CLC has sustained operating losses and net losses every year since inception, currently has no outside financing availability other than the line of credit with the Company, discussed below, and at December 31, 2002 had recorded an actuarially based accrual for general and professional liability of approximately $12,599,000. See below for discussion of CLC's insurance coverage.

The Company has discussed with CLC's Board of Directors the possible transfer of the 23 leased properties to other lessees. The independent directors of CLC's Board have agreed, at this time, to permit the Company to solicit other lessees for these properties. The Company has agreed that until June 30, 2003, and contingent on its reaching an agreement with another lessee, the Company would purchase from CLC the leasehold improvements, furniture, fixtures and equipment and pay CLC a mutually agreeable breakage fee for any property leased to a new lessee. The Company also agreed to give CLC a rent abatement through June 30, 2003 effective March 1, 2003 on the 23 properties.

Management cannot predict, at this time, when or if any or all CLC leases will be transferred to other lessees or what value any new leases would represent for the properties leased. Such new leases may result in a future impairment charge if the net book value of the properties exceeds the undiscounted cash flow from the new leases.

These discussions with CLC could involve a significant restructuring of CLC by the Board and management of CLC and during this process it is likely that the Company will need to advance working capital or offer additional rent concessions to CLC for its reorganization. The amount of a potential advance and the eventual realization of all CLC's obligations to us, including future advances, is not, at this time estimable.

Effective October 1, 2002, the Company and CLC amended the secured line of credit extended by the Company to CLC. The amendment reduced the line from $20,000,000 to $10,000,000 and added certain restrictions as to the use of funds drawn under the agreement. The line of credit continues to bear interest at 10%, mature on April 1, 2008 and contains a provision for acceleration should there be a change of control of CLC. In consideration of this amendment, the Company waived until November 30, 2002, defaults under its leases with CLC for non-payment of rent. The independent Board members of each company's board approved this amendment. At March 31, 2003 and December 31, 2002, there was $4,745,000 and $4,741,000, respectively, outstanding under the line of credit. During the three months ended March 31, 2003, the Company advanced CLC $950,000 under the line of credit and CLC paid $946,000 for rent and interest which the Company applied to reduce the line of credit. During the three months ended March 31, 2003 and 2002, the Company did not record interest income under the line of credit. Subsequent to March 31, 2003, the Company advanced CLC $500,000 under the line of credit.

Additionally, the Company holds a Promissory Note ("Note") issued by Healthcare Holdings, Inc. ("Holdings"), a wholly owned subsidiary of CLC, in the face amount of $7,000,000. The Note was received in December 2001 in exchange for the Company's right to receive 1,238,076 shares of Assisted Living Concepts, Inc. ("ALC") common stock distributed concurrently with ALC's emergence from bankruptcy on December 31, 2002. The Note is for a term of five years and bears interest at 5.0% compounded annually and accruing to the principal balance plus interest at 2.0% on the original principal of $7,000,000 payable in cash annually. The Company did not accrue any interest income on the Note during the first three months of 2003 or 2002. The Note is a full recourse obligation of Holdings and is secured by all the assets owned now or in the future by Holdings and contains a provision for acceleration should there be a change of control of Holdings or CLC. At March 31, 2003 Holdings owned 1,452,794 shares of ALC common stock with a fair market value based on the closing price of the stock on March 31, 2003 of $5,085,000 and $1,225,000 face value of ALC Senior Subordinated Debentures and $578,000 face value of Junior Subordinated Debentures. At March 31, 2003, the book value of the Note was $3,095,000, which represented the fair market value of the 1,238,076 shares acquired by Holdings on December 31, 2002. Subsequent to March 31, 2003, the Company purchased from Holdings $500,000 face value of ALC Senior Subordinated Debentures for $500,000 plus accrued interest.

Our Chairman, President and Chief Executive Officer, Chief Financial Officer, Chief Investment Officer and Vice President, Taxes served as officers of CLC and have resigned as officers of CLC. Our Chairman, President and Chief Executive Officer, Chief Financial Officer and Chief Investment Officer remain as Board members of CLC. Additionally, we have an indemnification agreement covering these officers who also serve as Board members of CLC and one current CLC outside director.

5. Debt Obligations

At March 31, 2003, $48,421,000 was outstanding under the Company's Senior Secured Revolving Line of Credit (the "Secured Revolving Credit") and commitments were $69,942,000. During the three months ended March 31, 2003, pricing under the Secured Revolving Credit was LIBOR plus 2.50%. At March 31, 2003, the Company's weighted average interest rate was 3.80%.

At maturity, January 2, 2002, the Company redeemed $2,408,000 of convertible subordinated debentures. Subsequent to March 31, 2003, the Company paid $3,554,000 of mortgage debt that was scheduled to mature in September 2003. The two mortgages repaid were held in a REMIC pool originated by the Company.

6. Senior Mortgage Participation Payable

On August 1, 2002, the Company completed a loan participation transaction whereby the Company issued a $30,000,000 senior participating interest in 22 of its first mortgage loans that had a total unpaid principal balance of $58,627,000 (the “Participation Loan Pool”) to a private bank. The Participation Loan Pool had a weighted average interest rate of 11.6% and a weighted average scheduled term to maturity of 77 months. The $30,000,000 senior participation is secured by the entire Participation Loan Pool. The Company received net proceeds from the issuance of the senior participation of $29,750,000 that it used to reduce commitments and amounts outstanding under its Secured Revolving Credit.

The senior participation receives interest at a rate of 9.25% per annum, payable monthly in arrears, on the then outstanding principal balance of the senior participation. In addition, the senior participation receives all mortgage principal collected on the Participation Loan Pool until the senior participation balance has been reduced to zero. The Company retains interest received on the Participation Loan Pool in excess of the 9.25% paid to the senior participation. The ultimate extinguishments of the senior participation is tied to the underlying maturities of loans in the Participation Loan Pool, which range from 1 to 185 months. The Company has accounted for the participation transaction as a secured borrowing under SFAS No. 140 “*Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities*.”

During the three months ended March 31, 2003, the senior participation received principal payments of $212,000. At March 31, 2003, $29,455,000 was outstanding under the senior mortgage participation.

7. Stockholders’ Equity

Other equity consists of the following (unaudited, amounts in thousands):

	March 31, 2003	December 31, 2002
Notes receivable from stockholders	$ (6,995)	$ (7,227)
Unamortized balance on deferred compensation	—	(163)
Accumulated comprehensive income	2,581	1,278
Total Other Equity	$ (4,414)	$ (6,112)

During the three months ended March 31, 2003, the Company declared and paid cash dividends on its Series A Preferred Stock, Series B Preferred Stock and Series C Preferred Stock totaling $1,822,000, $1,121,000 and $818,000 (paid on April 1, 2003), respectively. During the first quarter of 2003 and 2002 the Company declared and paid cash dividends of $0.10 per share on its common stock totaling $1,816,000 and $1,843,000, respectively.

Subsequent to March 31, 2003 the Company declared a cash dividend of $0.15 per share on its common stock payable on June 30, 2003 to stockholders of record on June 20, 2003.

During the three months ended March 31, 2003, a total of 129,000 stock options were exercised at a total option value of approximately $691,000 and a total market value as of the dates of exercise of approximately $807,000. Additionally, 2,500 restricted shares previously issued were cancelled as a result of an employee’s resignation.

Subsequent to March 31, 2003, an additional 20,000 options were exercised for a total of approximately $108,000 and a market value of approximately $125,000.

For the three months ended March 31, 2003, the Company repurchased 305,500 shares of its common stock for a total price of approximately $1,896,000, 5,000 shares of its Series A Preferred stock for a total purchase price of approximately $100,000 and 5,000 of its Series B Preferred stock for a total purchase of approximately $97,000.

Subsequent to March 31, 2003, the Company purchased 180,000 shares of its common stock for a total of $1,368,000.

The common shares were purchased on the open market under a Board authorization to purchase up to 5,000,000 common shares. A total of 2,350,700 shares have been purchased under this authorization. Therefore, the Company continues to have an open Board authorization to purchase an additional 2,649,300 common shares.

The preferred shares were purchased on the open market under a February 2003 Board authorization to purchase up to 100,000 shares each of the Company's Series A and Series B Preferred Stock.

Prior to January 1, 2003, the Company accounted for stock option grants in accordance with APB Opinion No. 25, "*Accounting for Stock Issued to Employees*" ("APB 25") and related Interpretations. Historically, the Company granted stock options for a fixed number of shares to employees with an exercise price equal to the fair value of the shares at the date of grant. Under APB 25, because the exercise price of the Company's employee stock options equaled the market price of the underlying stock on the date of grant, no compensation expense was recognized. Effective January 1, 2003, the Company adopted SFAS No. 148, "*Accounting for Stock-Based Compensation – Transition and Disclosure*", on a prospective basis for all employee awards granted, modified or settled on or after January 1, 2003. The Company did not grant any options during the three months ended March 31, 2003.

The following table illustrates the effect on net income and earnings per share as if the fair value method had been applied to all outstanding and unvested awards in each period.

	Three Months Ended March 31,	
	2003	2002
Net income available to common stockholders, as reported	$ 123	$ 2,423
Add: Stock-based compensation expense in the quarter	—	—
Deduct: Total stock-based compensation expense determined under fair value method for all awards	(34)	(44)
Pro forma net income available to common stockholders	$ 89	$ 2,379
Net income per common share available to common stockholders:		
Basic – as reported	$ 0.01	$ 0.13
Basic – pro forma	$ 0.01	$ 0.13
Diluted – as reported	$ 0.01	$ 0.13
Diluted – pro forma	$ 0.01	$ 0.13

8. Major Operators

The Company has two operators that lease properties directly from the Company and/or operate properties secured by mortgage loans, that each represent between 10% and 20% of the Company's total assets. The following table summarizes the Company's major lessees' assets, stockholders' equity, annual revenue and net income (loss) from continuing operations as of or for the year ended December 31, 2002 per the lessees' public filings:

	Assisted Living Concepts, Inc.	Alterra Healthcare Corporation
	(unaudited, in thousands)	
Current assets	$ 30,759	$ 106,103
Non-current assets	185,281	565,047
Current liabilities	33,613	980,289
Non-current liabilities	154,042	173,657
Redeemable preferred stock	—	6,132
Gross revenue	146,269	416,715
Operating expenses	136,683	380,299
Loss from continuing operations	(4,993)	(59,374)
Net Loss	(4,414)	(222,002)
Cash provided by operations	4,423	20,877
Cash provided by investing activities	608	50,677
Cash used in financing activities	(3,943)	(77,753)

Assisted Living Concepts, Inc. ("ALC") leases 37 assisted living properties with a total of 1,434 units owned by the Company representing approximately 12.4%, or $74,159,000, of the Company's total assets at March 31, 2003.

Additionally, as of March 31, 2003 the Company owns $7,083,000 face value of ALC's new Senior Secured Notes bearing interest at 10% per annum, payable semi-annually in arrears, and $3,272,000 face value of new Junior Secured Notes bearing interest payable in additional new Junior Secured Notes for three years at 8% and thereafter payable in cash at 12% per annum, payable semi-annually in arrears. See *Note 4. CLC Healthcare, Inc*. for a discussion of a note the Company has with Holdings which is secured by 1,452,794 shares of ALC's common stock and ALC Senior and Junior Secured Notes owned by Holdings.

Alterra Healthcare Corporation ("Alterra") leases 35 assisted living properties with a total of 1,416 units owned by the Company representing approximately 12.2%, or $72,885,000, of the Company's total assets at March 31, 2003. Alterra announced on January 22, 2003 that it had filed a voluntary petition with the U.S. Bankruptcy Court for the District of Delaware to reorganize under Chapter 11 of the U.S. Bankruptcy Code. Alterra's senior management informed the Company that they expect all leases with the Company will be affirmed. While no assurances can be given in a bankruptcy, such affirmation would result in no adverse impact to the Company as a result of Alterra's reorganization. Alterra is current on all rents due to the Company through May 2003.

These two companies are publicly traded companies, and as such are subject to the filing requirements of the Securities and Exchange Commission. The Company's financial position and its ability to make distributions may be adversely affected by further financial difficulties experienced by ALC and Alterra or any of the Company's other lessees and borrowers, including additional bankruptcies, inability to emerge from bankruptcy, insolvency or general downturn in business of any such operator, or in the event any such operator does not renew and/or extend its relationship with the Company or the Company's borrowers when it expires.

9. Earnings per Share

The following table sets forth the computation of basic and diluted net income per share (*unaudited, in thousands, except per share amounts*):

	Three Months Ended March 31, 2003	Three Months Ended March 31, 2002
Net income	$ 3,884	$ 6,181
Preferred stock dividends	(3,761)	(3,758)
Net income for basic net income per share	123	2,423
Effect of dilutive securities	—	—
Net income for diluted net income per share	$ 123	$ 2,423
Shares for basic net income per share	17,965	18,393
Effect of dilutive securities:		
Stock options	73	123
Shares for diluted net income per share	18,038	18,516
Basic net income per share	$ 0.01	$ 0.13
Diluted net income per share	$ 0.01	$ 0.13

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Operating Results

Three months ended March 31, 2003 compared to three months ended March 31, 2002

Revenues for the three months ended March 31, 2003 decreased to $16.1 million from $17.2 million for the same period in 2002. Rental income for the three months ended March 31, 2003 decreased $0.7 million compared to the same period of 2002 primarily as a result of the elimination of rents from sold properties ($0.5 million) and the effect of classifying nine properties leased to Sun Healthcare Group, Inc. as non-accrual rents ($0.7 million), partially offset by new leases and rental increases provided for in existing lease agreements ($0.5 million). Same store rental income, properties owned for the three months ended March 31, 2003 and the three months ended March 31, 2002, decreased $0.3 million due to the effect of classifying nine properties leased to Sun as non-accrual rents, partially offset by new leases and normal rental rate increases, as set forth in the lease agreements. Interest income from mortgage loans and notes receivable decreased $0.1 million primarily as a result of the early payoff of three mortgage loans. Interest income from REMIC Certificates for the three months ended March 31, 2003 decreased $0.5 million compared to the same period of 2002 due to the amortization of the related asset and the early payoff of certain mortgage loans underlying the Company's investment in REMIC Certificates. Interest and other income for the three months ended March 31, 2003 increased $0.1 million from the same period in 2002 due primarily to the receipt of interest on the Company's investment in ALC bonds.

Interest expense decreased by $0.2 million to $5.2 million for the three months ended March 31, 2003 from $5.4 million during the same period in 2002, due to a decrease in average borrowings outstanding during the period and a decrease in interest rates on the Company's Senior Secured Revolving Line of Credit partially offset by an increase in the Company's overall weighted average interest rate resulting from the sale of the Senior Mortgage Participation as discussed in *Note 6. Senior Mortgage Participation Payable*. Depreciation and amortization expense for the first quarter of 2003 decreased $0.3 million from the first quarter of 2002 due to properties sold in 2002 and a lower basis of certain assets due to impairment charges taken in 2002. The Company recorded a $1.3 million impairment charge during the first quarter of 2003. See *Note 3. Impairment Charge* for further discussion. No impairment charge was taken in the same quarter of the prior year. Operating and other expenses increased $0.6 million due to a one-time severance payment and higher legal costs for general litigation defense.

During the quarter ended March 31, 2002, the Company reported a net loss from discontinued operations of $0.1 million. This reclassification was made in accordance with SFAS No. 144 "Accounting for the Impairment or Disposal of Long-Lived Assets" which requires that the financial results of properties meeting certain criteria be reported on a separate line item called "Discontinued Operations." During the three months ended March 31, 2002, the Company sold two skilled nursing facilities in Illinois for $2.1 million, which resulted in a net loss of $0.1 million.

Net income available to common stockholders decreased to $0.1 million for the three months ended March 31, 2003 from $2.4 million for the same period in 2002 due to the reduction in revenue and impairment charge in 2003 as discussed above.

Liquidity and Capital Resources

At March 31, 2003 the Company's real estate investment portfolio (before accumulated depreciation and amortization) consisted of $469.5 million invested primarily in owned long-term care facilities, mortgage loans of approximately $82.3 million (net of a $1.3 million reserve) and subordinated REMIC Certificates of approximately $64.1 million with a weighted average effective yield of 16.4%. At March 31, 2003 the outstanding certificate principal balance and the weighted average pass-through rate for the senior REMIC Certificates (all held by outside third parties) was $178.2 million and 7.2%. The Company's portfolio consists of direct investments (properties that the Company either owns or on which the Company holds promissory notes secured by first mortgages) in 95 skilled nursing facilities, 96 assisted living facilities and one school in 30 states.

For the three months ended March 31, 2003, the Company had net cash provided by operating activities of $7.4 million. The Company invested $0.1 million for renovation of owned properties and sold licensed beds from two closed skilled nursing facilities resulting in net cash proceeds of $0.2 million. The Company received $0.4 million in principal payments on mortgage loans receivable.

During the three months ended March 31, 2003, the Company paid $0.2 million in principal to the non-recourse senior mortgage participation holder and $1.0 million in principal payments on mortgage loans and capital lease obligations.

Subsequent to March 31, 2003, the Company paid $3.6 million of mortgage debt that was scheduled to mature in September 2003. The two mortgages repaid were held in a REMIC pool originated by the Company.

Additionally, subsequent to March 31, 2003, the Company purchased $0.5 million face value ALC Senior Subordinated Debentures for face value plus accrued interest. See *Note 4. CLC Healthcare, Inc*. for further discussion. In May 2003, the Company received a total of $0.8 million in early pay-offs of two notes receivable. A portion of one of the notes represented past due rents owed to the Company and was fully reserved for at March 31, 2003. Since the Company had not previously recognized rental income related to the reserved portion of the note, the Company will recognize $0.5 million additional rental income in the second quarter of 2003 related to the payment of this note.

During the three months ended March 31, 2003, the Company declared paid cash dividends on its Series A Preferred Stock, Series B Preferred Stock and Series C Preferred Stock totaling $1.8 million, $1.1 million, and $0.8 million (paid April 1, 2003), respectively. Additionally, the Company paid a cash dividend on its common stock totaling $1.8 million. The Company has declared a $0.15 dividend per share on its common stock payable on June 30, 2003; however, the Company is giving no assurances that this amount or any amount will be a continuing common dividend in the near future.

During the three months ended March 31, 2003, the Company purchased and retired 305,000 shares of common stock for an aggregate purchase price of $1.9 million, an average of $6.21 per share. Additionally, the Company purchased 10,000 shares of LTC Series A Preferred Stock and Series B Preferred Stock for an aggregate purchase price of $0.2 million, an average of $19.70 per share. All shares were purchased on the open market. Subsequent to March 31, 2003, the Company purchased 180,000 shares of common stock for an aggregate purchase price of $1.4 million.

Subsequent to March 31, 2003, the Company signed a 15-year lease beginning May 1, 2003 on two properties in New Mexico previously operated by Sun. The lease provides for annual rent of $0.6 million in year one, increasing by 2% per year thereafter.

The Company expects its future income and ability to make distributions from cash flows from operations to depend on the collectibility of its mortgage loans receivable, REMIC Certificates and rents. The collection of these loans, certificates and rents will be dependent, in large part, upon the successful operation by the operators of the skilled nursing facilities and assisted living facilities owned by or pledged to the Company and the school owned by the Company. The operating results of the facilities will be impacted by various factors over which the operators/owners may have no control. Those factors include, without limitation, the status of the economy, changes in supply of or demand for competing long-term care facilities, ability to control rising operating costs, and the potential for significant reforms in the long-term care industry. In addition, the Company's future growth in net income and cash flow may be adversely impacted by various proposals for changes in the governmental regulations and financing of the long-term care industry. The Company cannot presently predict what impact these proposals may have, if any. The Company believes that an adequate provision has been made for the possibility of loans proving uncollectible but will continually evaluate the status of the operations of the skilled nursing facilities, assisted living facilities and the school. In addition, the Company will monitor its borrowers and the underlying collateral for mortgage loans and will make future revisions to the provision, if considered necessary.

Should an insufficient amount be raised to meet the Company's debt obligations through asset sales or financings, the Company would need to again suspend paying a common dividend and perhaps some of the preferred dividends in order to apply funds from operations to debt reductions.

The Company's investments, principally its investments in mortgage loans, REMIC Certificates, and owned properties, are subject to the possibility of loss of their carrying values as a result of changes in market prices, interest rates and inflationary expectations. The effects on interest rates may affect the Company's costs of financing its operations and the fair market value of its financial assets. The Company generally made loans that have predetermined increases in interest rates and leases that have agreed upon annual increases. Inasmuch as the Company initially funded its investments with its Senior Secured Revolving Line of Credit, the Company is at risk of net interest margin deterioration if medium and long-term rates were to increase.

The REMIC Certificates retained by the Company are subordinate in rank and right of payment to the certificates sold to third-party investors and as such would, in most cases, bear the first risk of loss in the event of impairment to any of the underlying mortgages. The returns on the Company's investment in REMIC Certificates are subject to certain uncertainties and contingencies including, without limitation, the level of prepayments, estimated future credit losses, prevailing interest rates, and the timing and magnitude of credit losses on the underlying mortgages collateralizing the securities that are a result of the general condition of the real estate market or long-term care industry. As these uncertainties and contingencies are difficult to predict and are subject to future events that may alter management's estimations and assumptions, no assurance can be given that current yields will not vary significantly in future periods. To minimize the impact of prepayments, the mortgage loans underlying the REMIC Certificates generally prohibit prepayment unless the property is sold to an unaffiliated third party (with respect to the borrower).

The Company believes that its current cash flow from operations available for distribution or reinvestment and its current borrowing capacity are sufficient to provide for payment of its operating costs, meet debt obligations, provide funds for distribution to the holders of the Company's preferred stock and pay common dividends at least sufficient to maintain our REIT status and repay borrowings at, or prior to, their maturity.

Critical Accounting Policies

Effective January 1, 2003, the Company adopted Statement of Financial Accounting Standard ("SFAS") No. 148 "*Accounting for Stock-Based Compensation – Transition and Disclosure*". SFAS No. 148 amends SFAS No. 123 "*Accounting for Stock-Based Compensation*" to provide alternative methods of transition to SFAS No. 123's fair value method of accounting for stock-based employee compensation. SFAS No. 148 also amends the disclosure provisions of SFAS No. 123 and APB Opinion No. 28 "Interim Financial Reporting" to require disclosure in the summary of significant accounting policies of the effects of an entity's accounting policy for stock-based employee compensation on reported net income and earnings per share in annual and interim financial statements. SFAS No. 148 provides three transition methods for entities that adopt the fair value recognition provisions of SFAS No. 123 for stock-based employee compensation. In addition to the prospective method originally provided under SFAS No. 123, SFAS No. 148 provides for a modified prospective method and a retroactive restatement method. The Company has adopted the prospective method and therefore will recognize compensation expense related to all employee stock-based awards granted, modified or settled after January 1, 2003.

The Company uses the Black-Scholes model for calculating stock option expense. This model requires management to make certain estimates including stock volatility, discount rate and the termination discount factor. If management incorrectly estimates these variables, the results from operations could be affected. Prior to January 1, 2003, the Company accounted for stock option grants in accordance with APB Opinion No. 25, "*Accounting for Stock Issued to Employees*" (APB 25) and related Interpretations. Historically, the Company granted stock options for a fixed number of shares to employees with an exercise price equal to the fair value of the shares at the date of grant. Under APB 25, because the exercise price of the Company's employee stock options equaled the market price of the underlying stock on the date of the grant, no compensation expense was recognized.

As of March 31, 2003, there were 414,300 options outstanding subject to the disclosure requirements of SFAS No. 148. The fair value of these options was estimated utilizing the Black-Scholes valuation model and assumptions as of each respective grant date. In determining the estimated fair values for the options granted in prior years, the weighted average expected life assumption was five years, the weighted average volatility was 0.49 and the weighted average risk free interest rate was 3.80%. At March 31, 2003, the weighted average fair value of the options outstanding was estimated to be $0.82, the weighted average exercise price of the options was $5.60 and the weighted average remaining contractual life was 2.4 years. See *Note 7. Stockholder's Equity* for further discussion.

In April 2003, the Financial Accounting Standards Board issued SFAS No. 149 *"Amendment of Statement 133 on Derivative Instruments and Hedging Activities"*. SFAS No. 149 clarifies under what circumstances a contract with an initial net investment meets the characteristic of a derivative as discussed in SFAS No. 133 "*Accounting for Derivative Instruments and Hedging Activities*". In addition, SFAS No. 149 clarifies when a derivative contains a financing component that warrants special reporting in the statement of cash flows. SFAS No. 149 is effective for contracts entered into or modified after June 30, 2003 and for hedging relationships designated after June 30, 2003. In addition, all provisions of SFAS No. 149 should be applied prospectively. At March 31, 2003, the Company had no interest rate contracts or any other derivative financial instrument outstanding.

For further discussion of the Company's critical accounting policies, see the Company's Annual Report filed on Form 10-K for the year ended December 31, 2002.

Statement Regarding Forward Looking Disclosure

Certain information contained in this report includes forward looking statements, which can be identified by the use of forward looking terminology such as "may", "will", "expect", "should" or comparable terms or negatives thereof. These statements involve risks and uncertainties that could cause actual results to differ materially from those described in the statements. These risks and uncertainties include (without limitation) the following: the effect of economic and market conditions and changes in interest rates, government policy changes relating to the health care industry including changes in reimbursement levels under the Medicare and Medicaid programs, changes in reimbursement by other third party payors, the financial strength of the operators of the Company's facilities as it affects the continuing ability of such operators to meet their obligations to the Company under the terms of the Company's agreements with its borrowers and operators, the amount and the timing of additional investments, access to capital markets and changes in tax laws and regulations.

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not Applicable.

Item 4. CONTROLS AND PROCEDURES

The Chief Executive Officer and the Chief Financial Officer of the Company (its principal executive officer and principal financial officer, respectively) have concluded, based on their evaluation as of a date within 90 days prior to the date of the filing of this report, that the Company's disclosure controls and procedures are effective to ensure that information required to be disclosed by the Company in the reports filed or submitted by it under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and include controls and procedures designed to ensure that information required to be disclosed by the Company in such reports is accumulated and communicated to the Company's management, including the Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

There were no significant changes in the Company's internal controls or in other factors that could significantly affect these controls subsequent to the date of such evaluation.

PART II

LTC PROPERTIES, INC.

OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

In accordance with Item 601(b)(4)(iii) of Regulation S-K, certain instruments pertaining to Registrant's long-term debt have not been filed; copies thereof will be furnished to the Securities and Exchange Commission upon request.

10.1 Severance Agreement between LTC Properties, Inc. and Julia Kopta, dated April 1, 2003

99.1 Certification by Andre C. Dimitriadis pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

99.2 Certification by Wendy L. Simpson pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

(b) Reports on Form 8-K

On May 6, 2003 the Company filed a Current Report on Form 8-K dated May 6, 2003 reporting its press release announcing operating results for the three months ended March 31, 2003.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

LTC PROPERTIES, INC.
Registrant

Dated: May 13, 2003

By: /s/ WENDY L. SIMPSON

Wendy L. Simpson
Vice Chairman and Chief Financial Officer

Form 10-Q Section 302 Certification

CERTIFICATION

I, Andre C. Dimitriadis, certify that:

1. I have reviewed this quarterly report on Form 10-Q of LTC Properties, Inc.;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

   a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

   b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

   c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

   a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: ______________________

Andre C. Dimitriadis
Chairman & Chief Executive Officer

Form 10-Q Section 302 Certification

CERTIFICATION

I, Wendy L. Simpson, certify that:

1. I have reviewed this quarterly report on Form 10-Q of LTC Properties, Inc.;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

    a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

    b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

    c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

    a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

    b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: ______________________

Wendy L. Simpson
Vice Chairman & Chief Financial Officer

EXHIBIT 10.1

AGREEMENT

WHEREAS, JULIA KOPTA, residing at 10983 Alto Court, Oak View, California 93022, individually and on behalf of all her successors, heirs, executors, administrators, legal representatives, and assigns (hereinafter referred to collectively as “Kopta”), and LTC PROPERTIES, INC., a Maryland corporation with offices at 22917 Pacific Coast Highway, Malibu, California 90265, on behalf of its subsidiaries divisions and affiliates, and their respective predecessors, successors, assigns, representatives, officers, directors, shareholders, agents, employees and attorneys (hereinafter referred to collectively as “LTC”), effective as of April 1, 2003, have reached agreement with respect to all matters arising out of Kopta’s employment with LTC and the termination thereof; and

WHEREAS, the parties have determined amicably to end the employment relationship between the parties;

NOW, THEREFORE, in consideration of the mutual covenants and undertakings set forth in this agreement and the Exhibits to and Schedules attached hereto and made a part hereof (“Agreement”) Kopta and LTC agree as follows:

1. Termination of Employment. By mutual agreement between the parties, the Employment Agreement, effective as of January 1, 2000, as amended effective June 23, 2000, a copy of which is attached hereto as Exhibit I (“Employment Agreement”), and Kopta’s employment, shall terminate on April 1, 2003 (“Termination Date”), except as to those provisions of the Employment Agreement which the parties have agreed shall survive, as specified in Paragraph 4 of the Mutual General Release, dated April 1, 2003 between Kopta and LTC (the “Mutual General Release”). Kopta and LTC each desire the separation to be an amicable one and to resolve all matters between each other.

2. Separation Payments and Benefits. LTC will pay Kopta the amounts described below, subject to the provisions of this Agreement. The payments to be provided by this paragraph are in place of, and not in addition to, payments Kopta would otherwise be entitled to pursuant to any policy or practice of LTC.

(a) Severance Payments. The Company will pay Kopta a severance payment equal to one year’s base salary of Two Hundred Fifty Thousand Dollars ($250,000); such payment will be made by LTC check or wire transfer as Kopta shall instruct in writing (“Severance Payment”). The Severance Payment will be reduced by any and all applicable payroll deductions including, but not limited to, federal, state and local tax withholdings, but not more than approximately 28% for federal income tax withholding and approximately 9% for state income tax withholding. The Severance Payment shall be made within 3 business days following the expiration of the Revocation Period specified in Section 6 of the Mutual General Release.

(b) COBRA Payments. For a period of 18 months following the Termination Date (through September 30, 2004), the Company will pay Kopta's COBRA payments with respect to insurance plans or policies currently provided by LTC, provided that such payments from LTC shall not exceed $ 1,261.87 per month.

(c) Business Expenses Incurred Prior to April 1, 2003. For reasonable and necessary business expenses incurred prior to April 1, 2003, which expenses have been detailed on expense reports previously submitted to LTC for reimbursement, the Company will remit payment to Kopta in accordance with LTC's regular practices and customs. The Company shall make payments to the Company's executive health insurance plan, SML ("SML Plan") for reimbursement of Kopta for healthcare expenses incurred prior to April 1, 2003 pursuant to the terms of the SML Plan.

3. Return of LTC Property. Kopta agrees to return to LTC by no later than 3 business days after expiration of the Revocation Period any and all property belonging to LTC, including, without limitation, codes, home computers, company IDs, business credit cards, business records, and proprietary and confidential information, including but not limited to the property set forth on Schedule A attached hereto and made a part of hereof. Kopta shall not retain any copies, duplicates or excerpts thereof, except to the extent consented to by LTC in order to permit Kopta to discharge her responsibilities pursuant to the Consulting Agreement dated April 1, 2003, and more fully described in Paragraph 9 hereof. At the conclusion of the Consulting period, Kopta will return all remaining LTC property to LTC. LTC agrees to permit Kopta to remove any and all property belonging to Kopta that is at LTC's offices

4. Options and 401(K) Plan. The options and shares previously awarded to Kopta under the LTC plans on Schedule B attached hereto and made a part hereof ("Plans"), to the extent not previously vested, will vest immediately on the Termination Date and will be exercisable as provided in Schedule B. LTC acknowledges and agrees that Kopta's 401(K) plan is 100% employee funded. LTC agrees to cooperate with Kopta in rolling over her investments therein.

5. Deferred Compensation. Any unvested portion of the shares awarded to Kopta under the Amended Deferred Compensation Plan of LTC Properties, Inc. and listed on Schedule B hereto will vest immediately on the Termination Date. Kopta will not be entitled to any additional awards pursuant to the Amended Deferred Compensation Plan of LTC Properties, Inc

6. Releases. As a condition to and simultaneously with the execution hereof, Kopta and LTC will execute the Mutual General Release ("General Release") attached hereto as Exhibit II and made a part hereof.

7. Letter of Recommendation. Upon execution of this Agreement by LTC, LTC shall deliver an original executed letter of recommendation on LTC's letterhead to

LTC's counsel, Herbert Kozlov, for delivery to Kopta upon the expiration of the revocation period, in the form attached hereto as Exhibit III and made a part thereof. LTC shall not provide any other information or references with respect to Kopta other than as set forth in the foregoing letter of recommendation. In response to any inquiry regarding Kopta's employment, the Company shall inform the inquirer that Kopta served as Executive Vice-President, General Counsel and Corporate Secretary; that she was employed from January 1, 2000 through April 1, 2003; that her base salary was $250,000; that she left the Company under amicable circumstances; that the company has provided her with a letter of recommendation that provides additional information which is available from Kopta, and that it is Company policy not to provide additional information.

8. Change Control of Payment. In the event that before October 1, 2004, a Change of Control (as defined in the Employment Agreement) occurs, and Kopta would have been eligible to receive Change of Control payments as provided in the Employment Agreement had she been an employee at the time of such Change of Control, then Kopta will be paid a Change of Control payment in the amounts and upon the terms set forth in her Employment Agreement as if she were still employed thereunder at the time of the Change of Control; provided, however, that the Severance Payment paid to Kopta hereunder shall be credited against and deducted from the amount of any Change of Control payments to which she is entitled under this Section 8. For purposes of illustration, the Change of Control Payment contemplated by the Employment Agreement is an amount equal to two year's Base Salary; Kopta's Base Salary prior to the termination of her employment was $250,000 per annum; pursuant to this Agreement Kopta is receiving a lump sum payment equal to one year's Base Salary; therefore, the Change of Control payment she might become entitled to receive pursuant to this Section 8 shall be $250,000, or one year's Base Salary.

9. Consulting Agreement Effective on the Termination Date. Simultaneously herewith, LTC and Kopta will enter into the Consulting Agreement attached hereto as Exhibit IV and made a part hereof, effective as of the Termination Date.

10. No Admission of Liability. By entering into this Agreement, the parties do not admit to any liability, wrongdoing, breach of any contract, commission of any tort or the violation of any statute or law alleged by the other to have been violated or otherwise.

11. Entire Agreement and Severability. This Agreement and all Exhibits and Schedules hereto constitute the complete settlement of all issues and disputes existing between Kopta and LTC as of the date hereof, and may not be modified except in writing signed by both Kopta and LTC. This Agreement has been entered into by Kopta and LTC voluntarily, knowingly, and upon advice of counsel. If any provision of this Agreement is held to be invalid, the remaining provisions shall remain in full force and effect.

12. Execution.

a. Kopta acknowledges that she has had up to twenty-one (21) days from her receipt of this document to review it. Upon execution, Kopta or her attorney must promptly send this document by overnight mail to Herbert F. Kozlov, Esq., Reed Smith LLP, 599 Lexington Avenue, 29th Floor, New York, New York 10022. A copy should be retained by Kopta.

b. Following her signing of the Agreement, Kopta has the right to revoke the Agreement at any time within seven (7) calendar days of her signing it, not including the date of her signing (the "Revocation Period"). Notice of revocation shall be given in writing and sent by overnight mail no later than the seventh day following the date Kopta signs this Agreement, to Herbert Kozlov, Esq., Reed Smith LLP, 599 Lexington Avenue, 29th Floor, New York, New York 10022. If Kopta does not revoke the Agreement, this Agreement shall be deemed to be effective and to be enforceable as of the last date set forth opposite any signature hereto. If Kopta gives notice of revocation during the Revocation Period in the manner specified above, this Agreement shall become null and void and all rights and claims of the parties which would have existed, but for the execution of this Agreement shall be restored.

13. Governing Law; Venue. This Agreement shall be governed by and construed in accordance with the law of the State of California. An action for breach of this Agreement may be brought in any state or federal court of competent jurisdiction located in California.

14. Successors and Assigns. This Agreement is binding upon and shall inure to the benefit of the heirs, successors and assigns of the parties hereto.

15. Mutual Confidentiality and Nondisparagement. Company and Kopta agree that the terms of this agreement are confidential and will not be disclosed, except (i) as necessary to execute the terms hereof and/or in connection with Kopta's tax preparation; (ii) as required by law; or, (iii) in connection with legal enforcement of the terms hereof. Further, the Company shall not disparage Kopta in any manner and Kopta shall not disparage the Company or its officers, directors, employees or agents in any manner.

THE UNDERSIGNED, intending to be legally bound, have executed this Agreement on this __ day of ________, 2003.

LTC PROPERTIES, INC.

BY: ______________________________

Name:
Title:

____
Julia Kopta

STATEMENT BY THE EMPLOYEE WHO IS SIGNING BELOW: LTC HAS ADVISED ME IN WRITING TO CONSULT WITH AN ATTORNEY PRIOR TO EXECUTING THIS AGREEMENT AND RELEASE MADE PART HEREOF. I HAVE CAREFULLY READ AND FULLY UNDERSTAND THE PROVISIONS OF THIS AGREEMENT AND HAVE HAD SUFFICIENT TIME AND OPPORTUNITY TO CONSULT WITH MY PERSONAL TAX, FINANCIAL AND LEGAL ADVISORS PRIOR TO EXECUTING THIS DOCUMENT, AND I INTEND TO BE LEGALLY BOUND BY ITS TERMS. I UNDERSTAND THAT I HAVE TWENTY ONE (21) DAYS TO CONSIDER THIS AGREEMENT AND THE RELEASE THAT IS A PART HEREOF AND HAVE THE OPTION OF SIGNING SUCH AGREEMENT AND RELEASE ANYTIME WITHIN SUCH TWENTY-ONE (21) DAY PERIOD. I ALSO UNDERSTAND THAT I MAY REVOKE THE AGREEMENT AND RELEASE WITHIN SEVEN (7) DAYS FOLLOWING MY SIGNING, AND THIS AGREEMENT AND RELEASE WILL NOT BECOME ENFORCEABLE OR EFFECTIVE UNTIL THAT SEVEN (7) DAY PERIOD HAS EXPIRED.

____

JULIA KOPTA

SCHEDULE A

PROPERTY

Cell Phone	Kopta may keep the telephone and telephone number, but the billing shall be switched to Kopta individually prior to expiration of the Revocation Period.
Home Fax machine	Kopta may keep the home fax machine
Home computer	Kopta may keep the home computer provided by the company

SCHEDULE B

Plans

- LTC Properties, Inc. 1998 Restricted Stock and Stock Option Plan

(a) Restricted Stock: 20,000 shares granted on 1-1-00 at $8.4375 per share

12,000 vest at 1-1-03

8,000 to vest on termination date

(b) Options:

(i) 30,000 options granted on 3-31-2000 at exercise price of $5.375 per share. The exercise period expires as to these options on October 1, 2004. Of those 30,000 options:

12,000 options previously vested and were exercised; and

6,000 options vested on 3-31-03; and

12,000 options vest on termination date.

(ii) 14,000 options granted on 10-3-01 at exercise price of $5.170 per share. The exercise period expires as to these options on October 1, 2004. Of those 14,000 options:

2,800 options previously vested and were exercised; and

11,200 options vest on termination date.

- Amended Deferred Compensation Plan of LTC Properties, Inc., dated 12-1- 95

31,273 shares, which shares will be delivered to Ms. Kopta per her instructions.

EXHIBIT I

EMPLOYMENT AGREEMENT

EXHIBIT II

MUTUAL GENERAL RELEASE

MUTUAL GENERAL RELEASE

This Mutual General Release ("General Release"), effective as of April 1, 2003, is entered into by and between Julia Kopta, an individual ("Kopta"), and LTC Properties, Inc., a corporation organized under the laws of the State of Maryland ("LTC").

NOW, THEREFORE, for good and valuable consideration arising from the simultaneous execution of an Agreement of even date herewith and the covenants and undertaking set forth therein, the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as follows:

1. General. Pursuant to the terms of an Agreement executed simultaneously herewith setting forth the terms of Kopta's termination of employment, Kopta and the Company acknowledge that Kopta's employment with LTC ended on April 1, 2003. From April 1, 2003 until September 30, 2003, Julia Kopta shall be engaged as a consultant to LTC pursuant to a separate consulting agreement. Kopta and LTC each desire the separation to be an amicable one and to resolve all claims and potential claims against each other.

2. Mutual Releases.

(a) Release By Kopta. Subject to the exceptions noted in Paragraph 4 below, on behalf of herself, her heirs, and assigns; Kopta hereby irrevocably and unconditionally releases and forever discharges LTC, all current and former parents, subsidiaries, related companies, affiliated entities, partnerships or joint ventures; and, with respect to each of them, their predecessors and successors; and, with respect to each such entity, all past, present, and future employees, officers, directors, stockholders, owners, representatives, assigns, attorneys, agents, insurers, employee benefit programs (and the trustees, administrators, fiduciaries, and insurers of such programs), and any other person acting by through, under or in concert with any of the persons or entities listed in this subsection; of and from any and all liabilities, claims, obligations, promises, agreements, demands, damages, actions, charges, complaints, cost, losses, debts and expenses (including attorney's fees and costs actually incurred), causes of action of every kind (collectively "Claims") known or unknown, disclosed or undisclosed, matured or unmatured, including, but not limited to, all claims under state, federal, or common law, whether based in contract, tort, statute or otherwise that are in any way related to Kopta's employment by LTC and the termination of such employment. Kopta understands that this release includes the release of all claims under all federal, state and local laws prohibiting unlawful employment discrimination or harassment or otherwise relating in any way to her employment relationship with LTC, or her separation from that employment, including but not limited to: (1) Title VII of the Civil Rights Act of 1964; (2) the Americans With Disabilities Act; (3) the Employee Retirement Income Security Act; (4) the Civil Rights Act of 1990; (5) the Age Discrimination in Employment Act; (6) the Family and Medical Leave Act; (7) the California Fair Employment and Housing Act; (8) the California Wage Payment Law; (9) the California Equal Pay Law; (10) the Unruh Civil Rights Act; (11) the California Family and Medical Leave Law; (12) the Employment Agreement between Julia Kopta and LTC effective as of January 1, 2000, as amended effective June 23, 2000 (the "Employment Agreement"), and (13) any and all other laws, acts, statutes, ordinances, regulations, or any recognized cause of action under the laws of any state (including political subdivisions thereof) that relate in any way to any claim or possible claim that Kopta may have against those released relating to her employment or separation from employment with LTC.

(b) **Release By LTC**: LTC hereby irrevocably and unconditionally releases and forever discharges Kopta and her heirs, agents, assigns, representatives, attorneys, insurers, and any other person acting by through, under or in concert with any of the persons or entities listed in this subsection of and from any and all liabilities, claims, obligations, promises, agreements, demands, damages, actions, charges, complaints, cost, losses, debts and expenses (including attorney's fees and costs actually incurred), causes of action of every kind (collectively "Claims"); known or unknown, disclosed or undisclosed, matured or unmatured, including, but not limited to, all claims under state, federal, or common law, whether based in contract, tort, statute or otherwise; in any way related to Kopta's duties, responsibilities or employment by LTC and the termination of such employment.

(c) **Pursuit Of Released Claims**: Each of Kopta and LTC represent, on her or its own behalf, that she or it, as the case may be, has not filed or caused to be filed any lawsuit, complaint, or charge with respect to any Claim this General Release purports to release, and each promises never to file or prosecute a lawsuit, complaint, or charge based on such Claims in either a judicial or administrative forum.

3. **Waiver Of Unknown Claims**: There is a risk that subsequent to the execution of this General Release, either Kopta or LTC will suffer violations of rights or other loss or damage which in some way relate in some way to Kopta's duties, responsibilities or employment with LTC or the termination of such employment which existed at the time of the execution of this General Release, but which are unknown and unanticipated at the time this General Release is signed. Kopta and LTC shall each assume these risks and their releases herein shall apply to all unknown or unanticipated results of any occurrences in any way related to Kopta's employment for LTC or the termination of such employment, as well as those known and anticipated, except that this Release shall not apply to actions or occurrences which post-date the date on which this General Release is signed. Upon advice of legal counsel, Kopta and LTC each hereby waive all rights under California Civil Code Section 1542, which section has been explained to by their respective counsel and reads as follows:

> **A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.**

4. **Exceptions To Release**: LTC and Kopta acknowledge that the release described in Paragraph 2(a) above does not extend to and does not release LTC from the obligation to indemnify Kopta as would otherwise be required under Paragraphs 8 or 6(g) of the Employment Agreement or California Labor Code section 2802, including, but not limited to, reasonable amounts incurred as the result of any lawsuit that may be brought by a third party arising as a consequence of the discharge of Kopta's duties or the obedience to the directions of LTC, or in her capacity as an officer of LTC, its affiliates, or as an officer of CLC Healthcare, Inc. LTC and Kopta also acknowledge that the release described in Paragraph 2(b) above does not release Kopta from her obligation to maintain the confidentiality of proprietary information and trade secrets of LTC as provided in any agreement that Kopta may have signed during her employment with LTC or which might otherwise exist as a consequence of her role and service as an attorney to or officer of LTC or its affiliates. LTC and Kopta further acknowledge that the release described in Paragraph 2(a) above does not release LTC from any of its obligations to Kopta described in the Agreement between LTC and Kopta dated as of April 1, 2003 ("Agreement").

5. Consideration Period, Advice Of Counsel, And Expiration Date: Kopta acknowledges her understanding that she has twenty-one days to consider this General Release, its benefits, and its consequences. She understands that she has the option of signing this General Release at any time before the end of the twenty-one day period, and that any election to do so is completely within her discretion. Kopta further acknowledges that she understands that she may seek the advice of an attorney before signing this General Release, and that she has had a full and adequate opportunity to do so. Kopta and LTC understand that the offer in this General Release will expire by its own terms if not signed and delivered to LTC as provided in Paragraph 12(a) of the Agreement, 5:00 p.m. on April 30, 2003.

6. Revocation Period: Kopta acknowledges and understands that she will have seven days after signing this General Release to revoke it ("Revocation Period"). The General Release will not become effective and enforceable until the signed General Release has been delivered to LTC and the Revocation Period has expired.

7. No Reliance On Other Representations: Kopta represents and acknowledges that in executing this General Release, she does not rely and has not relied upon any representation or statements by or on behalf of LTC or any other person released by Kopta with regard to the subject matter, basis, or effect of this General Release beyond those expressly contained herein. Kopta represents that she has carefully read and fully understands all provisions of this General Release, and that she is voluntarily entering into this General Release after adequate time to consider its terms.

8. Miscellaneous: Kopta and LTC agree as follows:

(a) The language of all parts of this General Release shall in all cases be construed as a whole, according to its fair meaning, and not strictly for or against any of the parties;

(b) This General Release is entered into in the State of California and shall be construed and interpreted in accordance with its law;

(c) The various provisions of this General Release are severable and if any is unenforceable, at law or in equity, that provision may be severed, leaving the others remaining in full force and effect;

(d) Paragraph headings contained in this General Release are for convenience only and shall not be considered for any purpose in construing the agreement;

(e) This General Release may only be modified by a written agreement identified as an amendment/modification to this General Release and signed by the parties hereto.

PLEASE READ CAREFULLY. THIS GENERAL RELEASE INCLUDES A RELEASE OF ALL KNOWN AND UNKNOWN CLAIMS.

DATED: ______________________

____

Julia Kopta

DATED: ______________________

LTC PROPERTIES, INC.

By: ______________________________

Name
Title

STATE OF CALIFORNIA
COUNTY OF ___________________

On _________________, 2003, before me personally appeared ________________________, personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed that same in his/her authorized capacity, and that by his/her signature on the instrument the person, executed the instrument.

WITNESS my hand and official seal

____

Notary Public

My commission expires:____________________

EXHIBIT III

LETTER OF RECOMMENDATION
[TO COME]

EXHIBIT IV

CONSULTING AGREEMENT

LTC PROPERTIES (LETTERHEAD)

April 1, 2003

Julia Kopta, Esq.
105 Layton Avenue
Ojai, California 93023

Re: *Consulting Agreement*

Dear Ms. Kopta:

The purpose of this letter is to confirm our agreement regarding the consulting services you have agreed to perform for LTC Properties, Inc. ("LTC") following termination of your employment as provided in the Agreement of even date herewith.

You have agreed to provide consulting services from time to time as LTC reasonably requests during the six month period commencing April 1, 2003 and ending on September 30, 2003 ("Consulting Term").

In consideration of your agreement to provide the services described herein, LTC will pay you by wire transfer per your written instructions, Twenty Thousand Eight Hundred Thirty Three Dollars ($20,833.00) per month in two equal installments per month of Ten Thousand Four Hundred Sixteen Dollars and Fifty Cents ($10,416.50) on the first and fifteenth day of each month during the Consulting Term. If any payment date is a weekend or holiday, your payment will be due on the next business day.

LTC will reimburse you for reasonable and necessary expenses you incur in the course of performing services hereunder (subject to your submission of properly documented invoices and expense reports consistent with LTC policies) within five days following the end of the month in which they were incurred. Reimbursement is subject to LTC's right to dispute in good faith any such expense. You agree to obtain LTC's prior written consent before incurring any expense or series of related expenses in excess of Seven Hundred Fifty Dollars ($750.00).

You will consult with LTC from time to time at LTC's reasonable request, regarding LTC's legal affairs (including without limitation, matters worked on during the term of your employment by LTC) as reasonably necessary, working independently and/or in cooperation with LTC's outside legal counsel.

During the Consulting Term, you are free to provide the services telephonically and through electronic communications. You will not be asked to travel or to be present in LTC's offices or other locations unless you and LTC determine that such travel or presence is necessary or advisable.

Nothing in this Agreement is intended and nothing in this Agreement shall be construed at any time to create the relationship of employer and employee, or principal and agent, between LTC and you. You will be an independent contractor at all times during the Consulting Term. You are free to exercise your own initiative, judgment and discretion as to how best to perform your duties under this Agreement. You will not have the authority to bind or obligate LTC as to any matters.

You understand and agree that for purposes of this consulting agreement, you will not be treated as an officer, employee or affiliate of LTC for any purpose, including, without limitation, the Federal Insurance Contributions Act, the Social Security Act, any unemployment statute, income tax withholding and other applicable laws (including, without limitation, those pertaining to workers' compensation, unemployment compensation and state income tax withholding).

This letter agreement and the Agreement set forth the entire agreement between you and LTC regarding the subject matter hereof. Neither you nor LTC can amend or modify this agreement, except in writing signed by you and LTC. Further, the indemnification provisions set forth in the Employment Agreement apply to any services performed as a consultant pursuant to this Agreement

This letter agreement is governed by and shall be construed in accordance with California law.

If we have stated our agreement as to your consulting services correctly, please sign a copy of this letter in the space provided simultaneously with the execution of the Agreement and deliver such signed copy to LTC.

LTC PROPERTIES, INC.

By: ______________________________

Acknowledged and Agreed:

____

Julia Kopta

Exhibit 99.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of LTC Properties, Inc. (the "Company") on Form 10-Q for the period ending March 31, 2003 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Andre C. Dimitriadis, Chief Executive Officer of the Company, certify, to the best of my knowledge, pursuant to 18 U.S.C § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities and Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ ANDRE C. DIMITRIADIS

Andre C. Dimitriadis
May 13, 2003

NOTE: A signed original of this written statement required by Section 906 has been provided to LTC Properties, Inc. and will be retained by LTC Properties, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 99.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of LTC Properties, Inc. (the “Company”) on Form 10-Q for the period ending March 31, 2003 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Wendy L. Simpson, Chief Financial Officer of the Company, certify, to the best of my knowledge, pursuant to 18 U.S.C § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities and Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ WENDY L. SIMPSON

Wendy L. Simpson
May 13, 2003

NOTE: A signed original of this written statement required by Section 906 has been provided to LTC Properties, Inc. and will be retained by LTC Properties, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.