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

FORM 8-K

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

Date of report: **July 12, 2005**
(Date of earliest event reported)

LTC PROPERTIES, INC.

(Exact name of Registrant as specified in its charter)

Maryland
(State or other jurisdiction of
incorporation or organization)

1-11314
(Commission file number)

71-0720518
(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)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01. Entry into a Material Definitive Agreement

On July 12, 2005, LTC Properties, Inc. (the "Company") entered into Purchase Agreements (the "Purchase Agreements") dated July 12, 2005, with certain purchasers (the "Purchasers") pursuant to which the Company issued and sold to the Purchasers 1,500,000 shares of the Company's Common Stock at a purchase price of \$22.08 per share (the "Shares") before placement fees and estimated offering expenses. The offering of the Shares was made under the Company's shelf registration statement on Form S-3 (Registration No. 333-113847) (the "Registration Statement"), including a related prospectus dated April 5, 2004, as supplemented by a Prospectus Supplement dated July 12, 2005, which was filed with the Securities and Exchange Commission pursuant to Rule 424(b)(5) under the Securities Act of 1933, as amended. The Shares were delivered against payment of the purchase price on July 15, 2005.

In connection with the offer and sale of the Shares, the Company entered into a Placement Agent Agreement (the "Placement Agent Agreement"), dated July 12, 2005, with Cohen & Steers Capital Advisors, LLC ("Cohen & Steers") pursuant to which the Company engaged Cohen & Steers to act as exclusive placement agent for this transaction. Cohen & Steers has no commitment to purchase any of the Company's Common Stock and is acting only as an agent in obtaining indications of interest for the Common Stock from certain Purchasers who will purchase the Shares directly from the Company. Pursuant to the Placement Agent Agreement, the Company agreed to pay Cohen & Steers a placement agent fee equal to 1.0% of gross proceeds and to pay certain of its expenses. In the Placement Agent Agreement, the Company agreed to indemnify Cohen & Steers and each of its partners, directors, officers, associates, affiliates, subsidiaries, employees, consultants, attorneys and agents, and each person, if any, controlling Cohen & Steers and any of its affiliates, against liabilities resulting from this offering and to contribute to payments Cohen & Steers may be required to make for these liabilities.

A copy of the form of Purchase Agreement is filed as Exhibit 10.1 to this Current Report on Form 8-K and incorporated by reference herein. A copy of the Placement Agent Agreement is filed as Exhibit 10.2 to this Current Report on Form 8-K and incorporated by reference herein.

Item 8.01. — Other Events

A copy of the Company's press release issued on July 12, 2005, announcing the offering described in Item 1.01 is attached hereto as Exhibit 99.1 and is incorporated by reference herein.

The opinions of counsel regarding the validity of the Shares issued pursuant to the offering and certain federal income tax matters are filed as Exhibits 23.1 and 23.2 hereto.

Item 9.01. — Financial Statements and Exhibits

The following are filed as exhibits to this Current Report on Form 8-K:

- 5.1 Opinion of Ballard, Spahr, Andrews & Ingersoll, LLP regarding the legality of the Shares being registered
- 8.1 Tax Opinion of Reed Smith, LLP
- 10.1 Form of Purchase Agreement dated as of July 12, 2005 by and between the Company and the Purchasers of the Shares
- 10.2 Placement Agent Agreement dated July 12, 2005 between the Company and Cohen & Steers Capital Advisors, LLC
- 23.1 Consent of Ballard, Spahr, Andrews & Ingersoll, LLP (contained in Exhibit 5.1)
- 23.2 Consent of Reed Smith, LLP (contained in Exhibit 8.1)
- 99.1 Press Release dated July 12, 2005

SIGNATURE

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

LTC PROPERTIES, INC.

Dated: July 15, 2005

By: /s/ WENDY L. SIMPSON
Wendy L. Simpson
Vice Chairman, Chief Financial Officer
and Treasurer

[LETTERHEAD OF BALLARD SPAHR ANDREWS & INGERSOLL, LLP]

July 15, 2005

LTC Properties, Inc.
Suite 350
22917 Pacific Coast Highway
Malibu, California 90265

Re: LTC Properties, Inc., a Maryland corporation (the "Company") - Issuance and Sale of up to One Million Five Hundred Thousand (1,500,000) shares of the Common Stock of the Company, par value one cent per share (\$.01) (the "Shares"), pursuant to Registration Statement on Form S-3, as amended (Registration No. 333-113847) (the "Registration Statement")

Ladies and Gentlemen:

We have acted as Maryland corporate counsel to the Company in connection with the registration of the Shares under the Securities Act of 1933, as amended (the "Act"), pursuant to the Registration Statement, which was filed with the Securities and Exchange Commission (the "Commission") on March 23, 2004 as amended and supplemented on a recent date. You have requested our opinion with respect to the matters set forth below.

In our capacity as Maryland corporate counsel to the Company and for the purposes of this opinion, we have examined originals, or copies certified or otherwise identified to our satisfaction, of the following documents (collectively, the "Documents"):

- (i) the corporate charter of the Company (the "Charter") represented by Articles of Incorporation filed with the State Department of Assessments and Taxation of Maryland (the "Department") on May 12, 1992, Articles of Amendment and Restatement filed with the Department on August 3, 1992, Articles Supplementary filed with the Department on March 7, 1997, Articles of Amendment filed with the Department on June 26, 1997, Articles Supplementary filed with the Department on December 17, 1997, Articles Supplementary filed with the Department on September 2, 1998, Articles Supplementary filed with the Department on May 11, 2000, Articles Supplementary filed with the Department on June 24, 2003, Articles Supplementary filed with the Department on September 16, 2003,

Articles Supplementary filed with the Department on February 19, 2004, Articles Supplementary filed with the Department on April 1, 2004, Articles Supplementary filed with the Department on April 1, 2004, Articles of Amendment filed with the Department on June 24, 2004, Articles Supplementary filed with the Department on July 16, 2004 and Certificate of Correction filed with the Department on August 3, 2004;
- (ii) the Bylaws of the Company as adopted on May 15, 1992, ratified on or as of May 19, 1992, and amended on or as of October 17, 1995, September 1, 1998, May 2, 2000 and August 28, 2003, and in full force and effect on the date hereof (the "Bylaws");
- (iii) the minutes of the organizational action of the Board of Directors of the Company, dated as of May 19, 1992 (the "Organizational Minutes");
- (iv) resolutions adopted by the Board of Directors of the Company, or a committee thereof, on June 23, 2003, June 24, 2003, August 29, 2003, September 8, 2003, September 15, 2003, January 26, 2004 February 17, 2004, February 18, 2004, March 9, 2004, March 18, 2004, March 26, 2004, April 1, 2004, July 15, 2004, July 15, 2004 and July 12, 2005 (collectively, the "Directors' Resolutions");
- (v) the Registration Statement, including all amendments thereto, filed by the Company with the Commission under the Act and the final base prospectus, dated April 5, 2004, and the related final prospectus supplement, dated July 12, 2005;
- (vi) a status certificate of the Department, dated July 12, 2005, to the effect that the Company is duly incorporated and existing under the laws of the State of Maryland and is duly authorized to transact business in the State of Maryland;
- (vii) a certificate of Andre C. Dimitriadis, Chairman of the Board of Directors, President and Wendy L. Simpson, Vice Chairman of the Board of Directors and Chief Financial Officer of the Company, dated as of the date hereof (the "Officers' Certificate"), to the effect that, among other things, the Charter, the Bylaws, the Organizational Minutes and the Directors' Resolutions are true, correct and complete, have not been rescinded or modified and are in full force and effect on the date of the Officers' Certificate; and

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- (viii) such other documents and matters as we have deemed necessary and appropriate to render the opinions set forth in this letter, subject to the limitations, assumptions, and qualifications noted below.

In reaching the opinions set forth below, we have assumed the following:

- (a) each person executing any of the Documents on behalf of any party (other than the Company) is duly authorized to do so;
- (b) each natural person executing any of the Documents is legally competent to do so;
- (c) any of the Documents submitted to us as originals are authentic; the form and content of any Documents submitted to us as unexecuted drafts do not differ in any respect relevant to this opinion from the form and content of such documents as executed and delivered; any of the Documents submitted to us as certified, facsimile or photostatic copies conform to the original document; all signatures on all of the Documents are genuine; all public records reviewed or relied upon by us or on our behalf are true and complete; all statements and information contained in the Documents are

true and complete; there has been no modification of, or amendment to, any of the Documents, and there has been no waiver of any provision of any of the Documents by action or omission of the parties or otherwise;

- (d) none of the Shares will be issued or transferred in violation of the provisions of Article Ninth of the Charter of the Company captioned "Limitations on Ownership"; and
- (e) the issuance and delivery of the Shares will not constitute a Business Combination with an Interested Stockholder or an Affiliate thereof (all as defined in Subtitle 6 of Title 3 of the Maryland General Corporation Law (the "MGCL"));

Based on our review of the foregoing and subject to the assumptions and qualifications set forth herein, it is our opinion that, as of the date of this letter:

- (1) The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Maryland.
- (2) The issuance of the Shares has been duly authorized by all necessary corporate action on the part of the Company and when such Shares are issued and delivered by the Company in exchange for the consideration therefor as provided in the Directors' Resolutions, such Shares will be validly issued, fully paid and non-assessable.

The foregoing opinion is limited to the laws of the State of Maryland, and we do not express any opinion herein concerning any other law. We express no opinion as to the applicability or effect of any federal or state securities laws, including the securities laws of the State of Maryland, or as to federal or state laws regarding fraudulent transfers. To the extent that any matter as to which our opinion is expressed herein would be governed by any jurisdiction other than the State of Maryland, we do not express any opinion on such matter.

This opinion letter is issued as of the date hereof and is necessarily limited to laws now in effect and facts and circumstances presently existing and brought to our attention. We assume no obligation to supplement this opinion letter if any applicable laws change after the date hereof, or if we become aware of any facts or circumstances that now exist or that occur or arise in the future and may change the opinions expressed herein after the date hereof.

We consent to your filing this opinion as an exhibit to the Registration Statement and further consent to the filing of this opinion as an exhibit to the applications to securities commissioners for the various states of the United States for registration of the Shares. We also consent to the identification of our firm as Maryland counsel to the Company in the section of the Registration Statement entitled "Legal Matters." In giving this consent, we do not admit that we are within the category of persons whose consent is required by Section 7 of the Act.

Very truly yours,

/s/

BALLARD SPAHR ANDREWS & INGERSOLL, LLP

[Reed Smith LLP Letterhead]

July 15, 2005

LTC Properties, Inc.
22917 Pacific Coast Highway, Suite 350
Malibu, California 90265

Re: **Federal Income Tax Considerations**

Ladies and Gentlemen:

This opinion is furnished to you at the request of LTC Properties, Inc., a Maryland corporation (the "Company"), in connection with the registration of 1,500,000 shares of Common Stock pursuant to the Company's supplemental prospectus (the "Prospectus") included in the Company's Registration Statement on Form S-3 (the "Registration Statement"), filed with the Securities and Exchange Commission under the Securities Act of 1933, as amended.

You have requested our opinion concerning certain of the federal income tax consequences to the Company and the purchasers of the Securities in connection with the registration described above. This opinion is based on various facts and assumptions, including the facts set forth in the Registration Statement and the Prospectus concerning the business, properties and governing documents of the Company. We have also been furnished with, and with your consent have relied upon, certain representations made by the Company with respect to certain factual matters. The Company's representation letter is attached to this opinion as an Exhibit.

In our capacity as counsel to the Company, we have made such legal and factual examinations and inquiries, including an examination of originals or copies certified or otherwise identified to our satisfaction of such documents, corporate records and other instruments as we have deemed necessary or appropriate for purposes of this opinion. In our examination, we have assumed the authenticity of all documents submitted to us as originals, the genuineness of all signatures thereon, the legal capacity of natural persons executing such documents and the conformity to authentic original documents of all documents submitted to us as copies.

We are opining herein as to the effect on the subject transaction only of the federal income tax laws of the United States and we express no opinion with respect to the applicability thereto, or the effect thereon, of other federal laws, the laws of any state or other jurisdiction or as to any matters of municipal law or the laws of any other local agencies within any state.

Based on such facts, assumptions and representations and subject to qualifications set forth below, it is our opinion that:

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1. Commencing with the Company's taxable year ending December 31, 1992, the Company has been organized in conformity with the requirements for qualification as a "real estate investment trust," and its proposed method of operation, as described in the representations by the Company will enable the Company to satisfy the requirements for qualification and taxation as a "real estate investment trust" under the Internal Revenue Code of 1986 (the "Code").
 2. The statements in the Registration Statement set forth under the captions "Certain U.S. Federal Income Tax Considerations" to the extent such information constitutes matters of law, summaries of legal matters, or legal conclusions, have been reviewed by us and are accurate in all material respects.

No opinion is expressed as to any matter not discussed herein.

This opinion is based on various statutory provisions, regulations promulgated thereunder and interpretations thereof by the Internal Revenue Service and the courts having jurisdiction over such matters, all of which are subject to change either prospectively or retroactively. Also, any variation or difference in the facts from those set forth in the Registration Statement, or the Company's representations may affect the conclusions stated herein. Moreover, the Company's qualification and taxation as a real estate investment trust depends upon the Company's ability to satisfy, through actual annual operating results, distribution levels and diversity of stock ownership, the various qualification tests imposed under the Code, the results of which have not been and will not be reviewed by us. Accordingly, no assurance can be given that the actual results of the Company's operation for any one taxable year will satisfy such requirements.

This opinion is rendered only to you, and is solely for your use in connection with the issuance of the Securities pursuant to the Registration Statement and the Prospectus. This opinion may not be relied upon by you for any other purpose, or furnished to, quoted to, or relied upon by any other person, firm or corporation, for any purpose, without our prior written consent. We undertake no obligation to update this opinion if applicable laws change after the date hereof or if we become aware after the date hereof of any facts that may change the opinions expressed herein. We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and to the use of our name under the caption "Legal Matters" in the Registration Statement and the Prospectus.

Very truly yours,

/s/ Reed Smith LLP

FORM OF PURCHASE AGREEMENT

This Purchase Agreement (this "Agreement"), dated as of July 12, 2005, is by and among LTC Properties, Inc., a Maryland corporation (the "Company"), each Purchaser listed under the heading "Direct Purchasers" on Schedule A (each, a "Direct Purchaser"), each Investment Adviser listed under the heading "Investment Advisers" on the signature pages hereto (each, an "Investment Adviser") who are entering into this Agreement on behalf of themselves (as to paragraph 5 of this Agreement) and those Purchasers which are a fund or individual or other investment advisory client of such Investment Adviser listed under their respective names on Schedule B (each, a "Client"), and each Broker-Dealer listed on Schedule C (each, a "Broker-Dealer") which is entering into this Agreement on behalf of itself (as to paragraph 6 of this Agreement) and those Purchasers which are customers for which it has power of attorney to sign listed under their respective names on Schedule C (each, a "Customer"). Each of the Customers, Direct Purchasers and Clients are referred to herein as individually, a "Purchaser" and collectively, the "Purchasers."

WHEREAS, the Purchasers desire to purchase from the Company (or their Investment Advisers and Broker-Dealers desire to purchase on their behalf from the Company), and the Company desires to issue and sell to the Purchasers up to an aggregate of 1,500,000 shares (the "Capital Shares") of the Company's Common Stock, par value \$0.01 per share (the "Common Stock"), with the number of Capital Shares acquired by each Purchaser set forth opposite the name of such Purchaser on Schedule A, Schedule B or Schedule C, as the case may be.

NOW, THEREFORE, in consideration of the mutual promises herein contained, the parties hereto agree as follows:

1. **Purchase and Sale.** Subject to the terms and conditions hereof, the Investment Advisers and the Broker-Dealers (on behalf of Purchasers which are Clients and Customers, respectively) and the other Purchasers hereby severally and not jointly agree to purchase from the Company, and the Company agrees to issue and sell to the several Purchasers the number of Capital Shares set forth next to such Purchaser's name on Schedule A, Schedule B or Schedule C, as the case may be, at a price per share of \$22.08 for an aggregate purchase amount in an amount as set forth on Schedule D hereof (the "Purchase Price") at the Closing (as defined below).

2. **Representations and Warranties of Purchaser.** Each Purchaser represents and warrants with respect to itself that:

(a) **Due Authorization.** Such Purchaser has full power and authority to enter into this Agreement and is duly authorized to purchase the Capital Shares in the amount set forth opposite its name on Schedule A, Schedule B or Schedule C, as the case may be. This Agreement has been duly authorized by such Purchaser and duly executed and delivered by or on behalf of such Purchaser. This Agreement constitutes a legal, valid and binding agreement of such Purchaser, enforceable against such Purchaser in accordance with its terms except as may be limited by (i) the effect of bankruptcy, insolvency,

reorganization, moratorium or other similar laws relating to or affecting the rights or remedies of creditors or (ii) the effect of general principles of equity, whether enforcement is considered in a proceeding in equity or at law and the discretion of the court before which any proceeding therefor may be brought (the "Enforceability Exceptions").

(b) **Prospectus and Prospectus Supplement.** Such Purchaser has received a copy of the Company's Basic Prospectus dated April 5, 2004 and the Prospectus Supplement dated July 12, 2005 (each as defined below).

(c) **Ownership of Excess Shares of Capital Stock.** As of the date hereof and after giving effect to the transaction contemplated hereby, such Purchaser, together with its subsidiaries and affiliates, does not own directly or indirectly more than 9.8% in number of shares or value, whichever is more restrictive, of any class or series of the issued and outstanding capital stock of the Company. Purchaser expressly acknowledges that the provisions of the Company's Articles of Incorporation, as amended or supplemented (the "Charter"), prohibit the ownership by Purchaser (together with its subsidiaries and affiliates) directly or indirectly of more than 9.8% of the number of issued and outstanding Capital Shares and not more than 9.8% of the number of issued and outstanding shares of any other class or series of the Company's capital stock and, in the event Purchaser's Capital Shares acquired pursuant to this Agreement or otherwise constitute Excess Shares (as defined in the Charter), the Company may repurchase such number of the Purchaser's Capital Shares on the terms set forth in the Charter and referenced in the Charter as is necessary to cause Purchaser to thereafter not own any Excess Shares.

3. **Representations and Warranties of Company.** The Company represents and warrants that:

(a) The Company meets the requirements for use of Form S-3 under the Securities Act of 1933, as amended (the "Act") and meets the requirements pursuant to the standards for such Form as were in effect immediately prior to October 21, 1992. The Company's Registration Statement (as defined below) was declared effective by the SEC (as defined below) and the Company has filed such post-effective amendments thereto as may be required under applicable law prior to the execution of this Agreement and each such post-effective amendment became effective. The SEC has not issued, nor to the Company's knowledge, has the SEC threatened to issue or intends to issue, a stop order with respect to the Registration Statement, nor has it otherwise suspended or withdrawn the effectiveness of the Registration Statement or to the Company's knowledge, threatened to do so, either temporarily or permanently, nor, to the Company's knowledge, does it intend to do so. On the effective date, the Registration Statement complied in all material respects with the requirements of the Act and the rules and regulations promulgated under the Act (the "Regulations"); at the effective date the Basic Prospectus (as defined below) complied, and at the Closing the Prospectus (as defined below) will comply, in all material respects with the requirements of the Act and the Regulations; each of the Basic Prospectus and the Prospectus as of its date and at the Closing Date did not, does not and will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading;

provided, however, that the representations and warranties in this subsection shall not apply to statements in or omissions from the Prospectus made in reliance upon and in conformity with information furnished to the Company in writing by or on behalf of any of the Purchasers, Cohen & Steers Capital Advisors, LLC, in its capacity as placement agent ("Placement Agent"), any Investment Advisers or Broker-Dealers, or any of their respective affiliates, expressly for use in the Prospectus. As used in this Agreement, the term "Registration Statement" means the shelf registration statement on Form S-3 (File No. 333-113847) as declared effective by the Securities and Exchange Commission (the "SEC"), including exhibits, financial statements, schedules and documents incorporated by reference therein. The term "Basic Prospectus" means the prospectus included in the Registration Statement, as amended, or as supplemented and filed with the SEC pursuant to Rule 424 under the Act in connection with the sale of the Capital Shares hereunder. The term "Prospectus Supplement" means the prospectus supplement specifically relating to the Capital Shares as to be filed with the SEC pursuant to Rule 424 under the Act in connection with the sale of the Capital Shares hereunder. The term "Prospectus" means the Basic Prospectus and the Prospectus Supplement taken together. The term "preliminary prospectus" means any form of preliminary prospectus used in connection with the marketing of the Capital Shares. Any reference in this Agreement to the Registration Statement, the Prospectus or any preliminary prospectus shall be deemed to refer to and include the documents incorporated by reference therein as of the date hereof or the date of the Prospectus or any preliminary

prospectus as the case may be, and any reference herein to any amendment or supplement to the Registration Statement, the Prospectus or any preliminary prospectus shall be deemed to refer to and include any documents filed after such date and through the date of such amendment or supplement under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and so incorporated by reference.

(b) Since the date as of which information is given in the Registration Statement and the Prospectus, except as otherwise stated therein, (i) there has been no material adverse change or any development which could reasonably be expected to give rise to a prospective material adverse change in or affecting the condition, financial or otherwise, or in the earnings, business affairs or, to the Company’s knowledge, business prospects of the Company and the subsidiaries of the Company, if any (the “Subsidiaries”) considered as one enterprise, whether or not arising in the ordinary course of business, (ii) there have been no transactions entered into by the Company or any of its Subsidiaries, other than those in the ordinary course of business, which are material with respect to the Company and its Subsidiaries considered as one enterprise, and (iii) other than regular quarterly dividends, there has been no dividend or distribution of any kind declared, paid or made by the Company on any class of its shares of equity securities.

(c) The Company has been duly organized as a corporation and is validly existing in good standing under the laws of the State of Maryland. Each of the Subsidiaries of the Company has been duly organized and is validly existing in good standing under the laws of its jurisdiction of organization. Each of the Company and its Subsidiaries has the required power and authority to own and lease its properties and to conduct its business as described in the Prospectus; and each of the Company and its Subsidiaries is

duly qualified to transact business in each jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure to so qualify would not have a material adverse effect on the condition, financial or otherwise, or the earnings, business affairs or, to the Company’s knowledge, business prospects of the Company and its Subsidiaries considered as one enterprise.

(d) As of the date hereof, the authorized capital stock of the Company consisted of 45,000,000 shares of Common Stock, and 15,000,000 shares of Preferred Stock, par value \$0.01 per share, of which 21,649,449 shares of Common Stock, 2,000,000 shares of 8.5% Series C Cumulative Convertible Preferred Stock (the “Series C Preferred Shares”), 382,867 shares of 8.5% Series E Cumulative Convertible Preferred Stock (the “Series E Preferred Shares”), and 6,640,000 shares of 8% Series F Cumulative Preferred Stock (the “Series F Preferred Shares”) are issued and outstanding as of such date (without giving effect to any Capital Shares issued or to be issued as contemplated by this Agreement) and 23,350,551 shares of Common Stock are authorized and unissued. The issued and outstanding shares of the Company have been duly authorized and validly issued and are fully paid and non-assessable; the Capital Shares have been duly authorized, and when issued in accordance with the terms of the Charter and delivered as contemplated hereby, will be validly issued, fully paid and non-assessable and will be listed, subject to notice of issuance, on the New York Stock Exchange, effective as of the Closing; the Common Stock and the Series C, E and F Preferred Stock of the Company conform to all statements relating thereto contained in the Prospectus; and the issuance of the Capital Shares is not subject to preemptive or other similar rights.

(e) Neither the Company nor any of its Subsidiaries is in violation of its organizational documents or in default in the performance or observance of any obligation, agreement, covenant or condition contained in any material contract, indenture, mortgage, loan agreement, note, lease or other instrument or agreement to which the Company or any of its Subsidiaries is a party or by which it or any of them are bound, or to which any of the property or assets of the Company or any of its Subsidiaries is subject, except where such violation or default would not have a material adverse effect on the condition, financial or otherwise, or the earnings, business affairs or, to the Company’s knowledge, business prospects of the Company and its Subsidiaries considered as one enterprise; and the execution, delivery and performance of this Agreement, and the issuance and delivery of the Capital Shares and the consummation of the transactions contemplated herein have been duly authorized by all necessary action and will not conflict with or constitute a material breach of, or material default under, or result in the creation or imposition of any lien, charge or encumbrance upon any material property or assets of the Company or any of its Subsidiaries pursuant to, any material contract, indenture, mortgage, loan agreement, note, lease or other instrument or agreement to which the Company or any of its Subsidiaries is a party or by which it or any of them are bound, or to which any of the property or assets of the Company or any of its Subsidiaries is subject, nor will any such action result in any violation of the provisions of the Charter, by-laws or other organizational documents of the Company or any of its Subsidiaries or any law, administrative regulation or administrative or court decree applicable to the Company.

(f) The Company is organized in conformity with the requirements for qualification and, as of the date hereof and as of the Closing, operates in a manner that qualifies it as a “real estate investment trust” under the Internal Revenue Code of 1986, as amended, and the rules and regulations thereunder and will be so qualified after giving effect to the sale of the Capital Shares.

(g) The Company is not required to be registered under the Investment Company Act of 1940, as amended.

(h) No legal or governmental proceedings are pending to which the Company or any of its Subsidiaries is a party or to which the property of the Company or any of its Subsidiaries is subject that are required to be described in the Registration Statement or the Prospectus and are not described therein, and no such proceedings have been threatened against the Company or any of its Subsidiaries or with respect to any of their respective properties that are required to be described in the Registration Statement or the Prospectus and are not described therein.

(i) No authorization, approval or consent of or filing with any court or United States federal or state governmental authority or agency is necessary in connection with the sale of the Capital Shares hereunder, except such as may be required under the Act or the Regulations or state securities laws or real estate syndication laws.

(j) The Company and its Subsidiaries possess such certificates, authorities or permits issued by the appropriate state, federal or foreign regulatory agencies or bodies necessary to conduct the business now conducted by them, except where the failure to possess such certificates, authority or permits would not have a material adverse effect on the condition, financial or otherwise, or the earnings, business affairs or, to the Company’s knowledge, business prospects of the Company and its Subsidiaries considered as one enterprise. Neither the Company nor any of its Subsidiaries has received any notice of proceedings relating to the revocation or modification of any such certificate, authority or permit which, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would materially and adversely affect the condition, financial or otherwise, or the earnings, business affairs or, to the Company’s knowledge, business prospects of the Company and its Subsidiaries considered as one enterprise, nor, to the knowledge of the Company, are any such proceedings threatened or contemplated.

(k) The Company has full power and authority to enter into this Agreement, and this Agreement has been duly authorized, executed and delivered by the Company and constitutes a legal, valid and binding agreement of the Company, enforceable against the Company in accordance with its terms except as may be limited by the Enforceability Exceptions.

(l) As of the dates set forth therein or incorporated by reference, the Company had good and marketable title to all of the properties and assets reflected in the audited financial statements contained in the Prospectus, subject to no lien, mortgage, pledge or encumbrance of any kind except (i) those reflected in such financial statements, (ii) as are otherwise described in the Prospectus, (iii) as do not materially adversely affect

the value of such property or interests or interfere with the use made or proposed to be made of such property or interests by the Company and each of its Subsidiaries or (iv) which constitute customary provisions of mortgage loans secured by the Company's properties creating obligations of the Company with respect to proceeds of the properties, environmental liabilities and other customary protections for the mortgagees.

(m) Neither the issuance, sale and delivery of the Capital Shares nor the application of the proceeds thereof by the Company as described in the Prospectus will cause the Company to violate or be in violation of Regulation T, U or X of the Board of Governors of the Federal Reserve System or any other regulation of such Board of Governors.

(n) The statements set forth in the Basic Prospectus under the caption "Description of Our Common Stock" in so far as such statements purport to summarize provisions of laws or documents referred to therein, are correct in all material respects and fairly present the information required to be presented therein.

4. Representation and Warranties of the Investment Advisers. To induce the Company to enter into this Agreement, each of the Investment Advisers hereby represents and warrants that:

(a) It is an investment adviser duly registered with the SEC under the Investment Advisers Act of 1940.

(b) It has been duly authorized to act as investment adviser on behalf of each Client on whose behalf it is signing this Agreement (as identified under the name of such Investment Adviser on Schedule B hereto) and has the sole authority to make the investment decision to purchase Capital Shares hereunder on behalf of such Client.

(c) It has the power and authority to enter into and execute this Agreement on behalf of each of the Clients listed under its name on Schedule B hereto.

(d) This Agreement has been duly authorized, executed and delivered by it and, assuming it has been duly authorized, executed and delivered by the Company, constitutes a legal, valid and binding agreement of such Investment Adviser, enforceable against it in accordance with its terms except as may be limited by the Enforceability Exceptions.

(e) It has received a copy of the Company's Basic Prospectus dated April 5, 2004 and Prospectus Supplement dated July 12, 2005.

5. Representation and Warranties of the Broker-Dealers. To induce the Company to enter into this Agreement, each Broker-Dealer represents and warrants that:

(a) It is duly registered and in good standing as a broker-dealer under the Exchange Act and is licensed or otherwise qualified to do business as a broker-dealer with the National Association of Securities Dealers, Inc. and in all states in which it will offer any Capital Shares pursuant to this Agreement.

(b) It has delivered a copy of the Prospectus to each Purchaser set forth under its name on Schedule C hereto.

(c) It has been granted a duly authorized power-of-attorney to execute and deliver this Agreement on behalf of each Customer on whose behalf it is signing this Agreement (as identified under the name of such Broker-Dealer on Schedule C hereto) and such power has not been revoked.

(d) This Agreement has been duly authorized, executed and delivered by it and, assuming it has been duly authorized, executed and delivered by the Company, constitutes a legal, valid and binding agreement of such Broker-Dealer, enforceable against it in accordance with its terms except as may be limited by the Enforceability Exceptions.

6. Conditions to Obligations of the Parties. (a) The Purchasers' several obligation to purchase the Capital Shares shall be subject to the following conditions having been met:

(i) the representations and warranties set forth in Section 3 of this Agreement shall be true and correct with the same force and effect as though expressly made at and as of the Closing,

(ii) the Purchasers shall have received an opinion from Ballard Spahr Andrews & Ingersoll, LLP, special Maryland counsel to the Company, dated as of the date of the Closing, in a form acceptable to the Purchasers,

(iii) the Purchasers shall have received an opinion from Reed Smith LLP, special securities counsel to the Company, dated as of the date of the Closing, in a form acceptable to the Purchasers,

(iv) the Placement Agent shall have received a comfort letter from Ernst & Young LLP, dated as of the Closing, substantially in the form attached hereto as Exhibit C, and

(v) on the Closing Date, the Company shall have delivered to the Purchasers a certificate of the Chief Executive Officer and Chief Financial Officer of the Company, dated as of the Closing Date, setting forth that each of the representations and warranties contained in this Agreement shall be true on and as of the Closing Date as if made as of the Closing Date and each of the conditions and covenants contained herein shall have been complied with to the extent compliance is required prior to Closing, and shall have delivered such other customary certificates as the Placement Agent shall have reasonably requested.

(b) The Company's obligation to issue and sell the Capital Shares shall be subject to the following conditions having been met:

(i) the representations and warranties set forth in Sections 2, 4 and 5 of this Agreement shall be true and correct with the same force and effect as though expressly made at and as of the Closing and

(ii) the Settlement Agent shall have received payment in full for the Purchase Price for the Capital Shares by federal wire of immediately available funds, not less than the aggregate amount of \$33,120,000 prior to the payment of fees and expenses.

7. Closing. Provided that the conditions set forth in Section 6 hereto and the last sentence of this Section 7 have been met or waived at such time, the transactions contemplated hereby shall be consummated on July 15, 2005, or at such other time and date as the parties hereto shall agree (each such time and date of payment and delivery being herein called the "Closing"). At the Closing, settlement shall occur through Jeffries & Company, or an affiliate thereof, on a delivery versus payment basis through the DTC ID System.

8. Covenants. The Company hereby covenants and agrees that subject to all Purchasers consummating the purchase of the Capital Shares at the Closing, the Company will use the proceeds of the offering contemplated hereby as set forth under the caption "Use of Proceeds" in the Prospectus Supplement.

9. Termination. This Agreement may be terminated, and the transactions contemplated hereby may be abandoned, by written notice promptly given to the other parties hereto, at any time prior to the Closing by the Company, on the one hand, or any Purchaser on the other, if the Closing shall not have occurred on or prior to July 31, 2005; provided that the Company or such Purchaser, as the case may be, shall not be entitled to terminate this Agreement pursuant to this Section 9 if the failure of Closing to occur on or prior to such dates results primarily from such party itself having materially breached any representation, warranty or covenant contained in this Agreement.

10. Notices. Except as otherwise herein provided, all statements, requests, notices and agreements shall be in writing and, if to the Purchasers, shall be sufficient in all respects if delivered or sent by facsimile to 212-446-9181 or by certified mail to Cohen & Steers Capital Advisors, LLC, 757 Third Avenue, New York, New York 10017, Attention: Bradley Razook, and, if to the Company, shall be sufficient in all respects if delivered or sent to the Company by facsimile to 805-981-8663 or by certified mail to the Company at 22917 Pacific Coast Highway, Suite 350, Malibu, CA 90265, Attention: Chief Financial Officer

11. Governing Law. This Agreement shall be construed in accordance with and governed by the substantive laws of the State of New York, without regard to conflict of laws principles.

12. Entire Agreement. This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and may be amended only in a writing that is executed by each of the parties hereto.

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13. Counterparts. This Agreement may be executed in separate counterparts, each of which shall be deemed an original, and all of which together shall be deemed to constitute one and the same instrument. Executed counterparts may be delivered by facsimile.

14. Construction. When used herein, the phrase "to the knowledge of" the Company or "known to" the Company or any similar phrase means the actual knowledge of the Chief Executive Officer, Chief Financial Officer or Chief Operating Officer of the Company and includes the knowledge that such officers would have obtained of the matter represented after reasonable due and diligent inquiry of those employees of the Company whom such officers reasonably believe would have actual knowledge of the matters represented.

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[LTC LETTERHEAD]

July 12, 2005

Cohen & Steers Capital Advisors, LLC
757 Third Avenue
New York, New York 10017

Re: Placement of Common Stock of LTC Properties, Inc.

Dear Sirs:

This letter (the "Agreement") confirms our agreement to retain Cohen & Steers Capital Advisors, LLC (the "Placement Agent") as our exclusive agent for a period commencing on the date of this letter and terminating on July 31, 2005, unless extended by the parties, to introduce LTC Properties, Inc., a Maryland corporation (the "Company"), to certain investors as prospective purchasers (the "Offer") of up to 1,500,000 shares (the "Securities") of the Company's Common Stock, par value \$0.01 per share (the "Shares") (assuming the maximum number of Securities is issued and sold). The engagement described herein (i) may be terminated by the Company at any time prior to the Closing (as defined below) and (ii) shall be in accordance with applicable laws and pursuant to the following procedures and terms and conditions:

1. The Company will:

(a) Cause the Company's independent public accountants to address to the Company and the Placement Agent and deliver to the Company, the Placement Agent and the Purchasers (as such term is defined in the Purchase Agreement dated the date hereof between the Company and the purchasers party thereto (the "Purchase Agreement") (i) a letter or letters (which letters are frequently referred to as "comfort letters") dated the date hereof, and (ii) if so requested by the Placement Agent, a "bring-down" letter delivered the date on which the sale of the Securities is consummated pursuant to the Purchase Agreement (such date, a "Closing Date" and the time of such consummation on the Closing Date, a "Closing,"), which, with respect to the letter referred to in clause (i) above, will be substantially in the form attached hereto as Annex I, and with respect to the letter or letters referred to in clause (ii) above, will be in form and substance reasonably satisfactory to the Placement Agent.

(b) On the Closing Date, cause special securities counsel to the Company to deliver opinions to the Placement Agent and the Purchasers substantially in the form of Annex II hereto and otherwise in form and substance reasonably satisfactory to the Placement Agent and its counsel, and cause the Maryland counsel to the Company to deliver opinions to the Placement Agent and the Purchasers substantially in the form of Annex III hereto.

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(c) Prior to the Closing, the Company shall not sell or approve the solicitation of offers for the purchase of additional Shares in excess of the amount which shall be authorized by the Company or in excess of the aggregate offering price of the Shares registered pursuant to the Registration Statement (as defined below).

(d) Use the proceeds of the offering contemplated hereby as set forth under the caption "Use of Proceeds" in the Prospectus Supplement (as defined below).

(e) On the Closing Date, the Company shall deliver to the Placement Agent and the Purchasers a certificate of the Chief Executive Officer and Chief Financial Officer of the Company, dated as of the Closing Date, setting forth that each of the representations and warranties contained in this Agreement shall be true on and as of the Closing Date as if made as of the Closing Date and each of the conditions and covenants contained herein shall have been complied with to the extent compliance is required prior to the Closing Date, and shall have delivered such other customary certificates as the Placement Agent shall have reasonably requested.

2. The Company authorizes the Placement Agent to use the Prospectus (as defined below) in connection with the Offer for such period of time as any such materials are required by law to be delivered in connection therewith and the Placement Agent agrees to do so.

3. (a) The Placement Agent will use commercially reasonable efforts on behalf of the Company in connection with the Placement Agent's services hereunder. No offers or sales of Securities shall be made to any person without the prior approval of such person by the Company, such approval to be at the reasonable discretion of the Company. The Placement Agent's aggregate fee for its services hereunder will be an amount equal to 1.0% of the gross proceeds from the sale of Securities sold to Purchasers that are not affiliates of the Placement Agent (such fee payable by the Company at and subject to the consummation of the Closing). The Company, upon consultation with the Placement Agent, may establish in the Company's discretion a minimum aggregate amount of Shares to be sold in the offering contemplated hereby, which minimum aggregate amount shall be reflected in the Prospectus. The Placement Agent will not enter into any agreement or arrangement with any broker, dealer or other person in connection with the placement of Shares (individually, a "Participating Person" and collectively, "Participating Persons") which will obligate the Company to pay additional fees or expenses to or on behalf of a Participating Person without the prior written consent of the Company, it being understood that Jefferies & Company, Inc. will be acting as settlement agent ("Settlement Agent") in connection with the Offer and the Company will pay the fees and expenses of the Settlement Agent which shall be calculated at the rate of \$.02 per Security sold.

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(b) The Company agrees that it will pay its own costs and expenses incident to the performance of the obligations hereunder whether or not any Shares are offered or sold pursuant to the Offer, including, without limitation, (i) the filing fees and expenses, if any, incurred with respect to any filing with the NYSE, (ii) all costs and expenses incident to the preparation, issuance, execution and delivery of the Securities, (iii) all costs and expenses (including filing fees) incident to the preparation, printing and filing under the Securities Act of 1933, as amended (the "Act"), of the Registration Statement and the Prospectus, including, without limitation, in each case, all exhibits, amendments and supplements thereto, (iv) all costs and expenses incurred in connection with the required registration or qualification of the Securities issuable under the laws of such jurisdictions as the Placement Agent may reasonably designate, if any, (v) all costs and expenses incurred by the Company in connection with the printing (including word processing and duplication costs) and delivery of the Prospectus and Registration Statement (including, without limitation, any preliminary and supplemental blue sky memoranda) including, without limitation, mailing and shipping, (vi) all fees and expenses incurred in marketing the Offer, and (vii) the fees and disbursements of Reed Smith, LLP, special securities counsel to the Company, Ballard Spahr Andrews & Ingersoll, LLP, special Maryland counsel to the Company and any other counsel to the Company, and Ernst & Young LLP, auditors to the Company. In addition, the Company agrees to reimburse the Placement Agent for all out-of-pocket expenses of the Placement Agent in connection with the Offer including, without limitation, the reasonable legal fees, expenses and disbursements of the Placement Agent's counsel in connection with the Offer in an amount not to exceed \$15,000.

(c) The Company will indemnify and hold harmless the Placement Agent and each of its respective partners, directors, officers, associates, affiliates, subsidiaries, employees, consultants, attorneys and agents, and each person, if any, controlling the Placement Agent or any of its affiliates within the meaning of either Section 15 of the Act or Section 20 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) (collectively, the “Placement Agent Indemnitees”), from and against any and all losses, claims, damages, liabilities or costs (and any reasonable legal or other expenses incurred by such Placement Agent in investigating or defending the same or in giving testimony or furnishing documents in response to a request of any government agency or to a subpoena) in any way relating to, arising out of or caused by any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement or in the Prospectus or any preliminary prospectus in any way relating to, arising out of or caused by any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. Such indemnity agreement shall not, however, apply to any such loss, claim, damage, liability, cost or expense (i) if such statement or omission was made in reliance upon or in conformity with information furnished in writing to the Company by the Placement

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Agent or its affiliates or any of the Purchasers, Investment Advisors or Broker-Dealers (as defined in the Purchase Agreement) or their respective affiliates expressly for use in the Prospectus Supplement, or (ii) which is held in a final judgment of a court of competent jurisdiction (not subject to further appeal) to have arisen out of (x) the gross negligence or willful misconduct of the Placement Agent or any Placement Agent Indemnitee described in this paragraph 4(a), or (y) a breach of Placement Agent’s representations and warranties in paragraph 5 hereof.

(d) The Placement Agent will indemnify and hold harmless the Company and each of its directors, officers, associates, affiliates, subsidiaries, employees, consultants, attorneys, agents, and each person controlling the Company or any of its affiliates within the meaning of either Section 15 of the Act or Section 20 of the Exchange Act from and against any and all losses, claims, damages, liabilities, costs or expenses (and any reasonable legal or other expenses incurred by such indemnitee in investigating or defending the same or in giving testimony or furnishing documents in response to a request of any government agency or to a subpoena) (i) which are held in a final judgment of a court of competent jurisdiction (not subject to further appeal) to have arisen out of the gross negligence or willful misconduct of such Placement Agent or any of its respective partners, directors, officers, associates, affiliates, subsidiaries, employees, consultants, attorneys and agents, and each person, if any, controlling the Placement Agent or any of its affiliates within the meaning of Section 15 of the Act or Section 20 of the Exchange Act or (ii) relating to, arising out of or caused by any untrue statement or alleged untrue statement of a material fact contained in the Prospectus Supplement or in any way relating to, arising out of or caused by any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, if such statement or omission was made in reliance upon or in conformity with information furnished in writing to the Company by the Placement Agent or its affiliates or any of the Purchasers, Investment Advisors or Broker-Dealers or their respective affiliates expressly for use in the Prospectus Supplement, or (iii) which result from violations by the Placement Agent of law or of requirements, rules or regulations of federal or state securities regulators, self-regulatory associations or organizations in the securities industry, stock exchanges or organizations with similar functions or responsibilities with respect to securities brokers or dealers, as determined by a court of competent jurisdiction or applicable federal or state securities regulators, self-regulatory associations or organizations in the securities industry or stock exchanges or organizations, as applicable.

(e) If any action, proceeding or investigation is commenced as to which any indemnified party hereunder proposes to demand indemnification under this letter agreement, such indemnified party will notify the indemnifying party with reasonable promptness. The indemnifying party shall have the right to retain counsel of its own

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choice (which counsel shall be reasonably satisfactory to the indemnified party) to represent it and such counsel shall, to the extent consistent with its professional responsibilities, cooperate with the indemnified party and any counsel designated by the indemnified party; provided, however, it is understood and agreed that if the indemnifying party assumes the defense of a claim for which indemnification is sought hereunder, it shall have no obligation to pay the expenses of separate counsel for the indemnified party, unless defenses are available to the indemnified party that make it impracticable for the indemnifying party and the indemnified party to be represented by the same counsel in which case the indemnified party shall be entitled to retain one counsel. The indemnifying party will not be liable under this letter agreement for any settlement of any claim against the indemnified party made without the indemnifying party’s written consent.

(f) In order to provide for just and equitable contribution, if a claim for indemnification pursuant to this paragraph 3 is made but it is found in a final judgment by a court of competent jurisdiction (not subject to further appeal) that such indemnification may not be enforced in such case, even though the express provisions hereof provided for indemnification in such case, then the Company, on the one hand, and the Placement Agent, on the other hand, shall contribute to the losses, claims, damages, liabilities or costs to which the indemnified persons may be subject in accordance with the relative benefits received from the offering and sale of the Securities by the Company, on the one hand, and the Placement Agent, on the other hand (it being understood that, with respect to the Placement Agent, such benefits received are limited to fees actually paid by the Company and received by the Placement Agent pursuant to this Agreement), and also the relative fault of the Company, on the one hand, and the Placement Agent, on the other hand, in connection with the statements, acts or omissions which resulted in such losses, claims, damages, liabilities or costs, and any relevant equitable considerations shall also be considered. No person found liable for a fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who is not also found liable for such fraudulent misrepresentation. Notwithstanding the foregoing, the Placement Agent shall not be obligated to contribute any amount hereunder that exceeds the fees received by the Placement Agent in respect to the offering and sale of the Shares.

4. The Company represents and warrants to the Placement Agent as of the date hereof and as of the Closing Date as follows:

(a) The Company meets the requirements for use of Form S-3 under the Act and meets the requirements pursuant to the standards for such Form as (i) are in effect on the date hereof and (ii) as were in effect immediately prior to October 21, 1992. The Company’s Registration Statement (as defined below) was declared effective by the SEC (as defined below) and the Company has filed such post-effective amendments thereto as may be

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required under applicable law prior to the execution of this Agreement and each such post-effective amendment became effective. The SEC has not issued, nor to the Company’s knowledge, has the SEC threatened to issue or intends to issue, a stop order with respect to the Registration Statement, nor has it otherwise suspended or withdrawn the effectiveness of the Registration Statement or, to the Company’s knowledge, threatened to do so, either temporarily or permanently, nor, to the Company’s knowledge, does it intend to do so. On the effective date, the Registration Statement complied in all material respects with the requirements of the Act and the rules and regulations promulgated under the Act (the “Regulations”); at the effective date the Basic Prospectus (as defined below) complied, and at the Closing the Prospectus will comply, in all material respects with the requirements of the Act and the Regulations; each of the Basic Prospectus and the Prospectus as of its date and at the Closing Date did not, does not and will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; provided,

however, that the representations and warranties in this subsection shall not apply to statements in or omissions from the Prospectus made in reliance upon and in conformity with information furnished to the Company in writing by the Placement Agent or its affiliates or by or on behalf of any of the Purchasers, Investment Advisors or Broker-Dealers or any of their respective affiliates, in each case, expressly for use therein. As used in this Agreement, the term “Registration Statement” means the “shelf” registration statement on Form S-3 (File No. 333-113847), as declared effective by the Securities and Exchange Commission (the “SEC”), including exhibits, financial statements, schedules and documents incorporated by reference therein. The term “Basic Prospectus” means the prospectus included in the Registration Statement, as amended, or as supplemented and filed with the SEC pursuant to Rule 424 under the Act in connection with the sale of the Securities hereunder. The term “Prospectus Supplement” means the prospectus supplement specifically relating to the Shares as to be filed with the SEC pursuant to Rule 424 under the Act in connection with the sale of the Shares. The term “Prospectus” means the Basic Prospectus and the Prospectus Supplement taken together. The term “preliminary prospectus” means any form of preliminary prospectus used in connection with the marketing of the Shares. Any reference in this Agreement to the Registration Statement, the Prospectus or any preliminary prospectus shall be deemed to refer to and include the documents incorporated by reference therein as of the date hereof or the date of the Prospectus or any preliminary prospectus, as the case may be, and any reference herein to any amendment or supplement to the Registration Statement, the Prospectus or any preliminary prospectus shall be deemed to refer to and include any documents filed after such date and through the date of such amendment or supplement under the Exchange Act and so incorporated by reference.

(b) Since the date as of which information is given in the Registration Statement and the Prospectus, except as otherwise stated therein, (i) there has been no material adverse change or any development which could reasonably be expected to give rise to a prospective material adverse change in or affecting the condition, financial or otherwise, or in the earnings, business affairs or, to the Company’s knowledge, business prospects of the

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Company and the subsidiaries of the Company, if any (the “Subsidiaries”) considered as one enterprise, whether or not arising in the ordinary course of business, (ii) there have been no transactions entered into by the Company or any of its Subsidiaries, other than those in the ordinary course of business, which are material with respect to the Company and its Subsidiaries considered as one enterprise, and (iii) other than regular quarterly dividends, there has been no dividend or distribution of any kind declared, paid or made by the Company on any class of its shares of equity securities.

(c) The Company has been duly organized as a corporation and is validly existing in good standing under the laws of the State of Maryland. Each of the Subsidiaries of the Company has been duly organized and is validly existing in good standing under the laws of its jurisdiction of organization. Each of the Company and its Subsidiaries has the required power and authority to own and lease its properties and to conduct its business as described in the Prospectus; and each of the Company and its Subsidiaries is duly qualified to transact business in each jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure to so qualify would not have a material adverse effect on the condition, financial or otherwise, or the earnings, business affairs or, to the Company’s knowledge, business prospects of the Company and its Subsidiaries considered as one enterprise.

(d) As of the date hereof, the authorized capital stock of the Company consisted of 45,000,000 shares of Common Stock, and 15,000,000 shares of Preferred Stock, par value \$0.01 per share, of which 21,649,449 shares of Common Stock, 2,000,000 shares of 8.5% Series C Cumulative Convertible Preferred Stock (the “Series C Preferred Shares”), 382,867 shares of 8.5% Series E Cumulative Convertible Preferred Stock (the “Series E Preferred Shares”), and 6,640,000 shares of 8% Series F Cumulative Preferred Stock (the “Series F Preferred Shares”) are issued and outstanding as of such date (without giving effect to any Capital Shares issued or to be issued as contemplated by this Agreement) and 23,350,551 shares of Common Stock are authorized and unissued. The issued and outstanding shares of the Company have been duly authorized and validly issued and are fully paid and non-assessable; the Capital Shares have been duly authorized, and when issued in accordance with the terms of the Charter and delivered as contemplated hereby, will be validly issued, fully paid and non-assessable and will be listed, subject to notice of issuance, on the New York Stock Exchange, effective as of the Closing; the Common Stock and the Series C, E and F Preferred Stock of the Company conform to all statements relating thereto contained in the Prospectus; and the issuance of the Capital Shares is not subject to preemptive or other similar rights.

(e) Neither the Company nor any of its Subsidiaries is in violation of its organizational documents or in default in the performance or observance of any obligation, agreement, covenant or condition contained in any material contract, indenture, mortgage, loan agreement, note, lease or other instrument or agreement to which the Company or any of

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its Subsidiaries is a party or by which it or any of them are bound, or to which any of the property or assets of the Company or any of its Subsidiaries is subject except where such violation or default would not have a material adverse effect on the condition, financial or otherwise, or the earnings, business affairs or, to the Company’s knowledge, business prospects of the Company and its Subsidiaries considered as one enterprise; and the execution, delivery and performance of this Agreement, and the issuance and delivery of the Securities and the consummation of the transactions contemplated herein have been duly authorized by all necessary action and will not conflict with or constitute a material breach of, or material default under, or result in the creation or imposition of any lien, charge or encumbrance upon any material property or assets of the Company or any of its Subsidiaries pursuant to, any material contract, indenture, mortgage, loan agreement, note, lease or other instrument or agreement to which the Company or any of its Subsidiaries is a party or by which it or any of them are bound, or to which any of the property or assets of the Company or any of its Subsidiaries is subject, nor will any such action result in any violation of the provisions of the Charter of the Company, as amended and supplemented, by-laws or other organizational documents of the Company or any of its Subsidiaries or any law, administrative regulation or administrative or court decree applicable to the Company.

(f) The Company is organized in conformity with the requirements for qualification and, as of the date hereof and as of each Closing, operates in a manner that qualifies it as a “real estate investment trust” under the Internal Revenue Code of 1986, as amended, and the rules and regulations thereunder and will be so qualified after giving effect to the sale of the Securities.

(g) The Company is not required to be registered under the Investment Company Act of 1940, as amended.

(h) No legal or governmental proceedings are pending to which the Company or any of its Subsidiaries is a party or to which the property of the Company or any of its Subsidiaries is subject that are required to be described in the Registration Statement or the Prospectus and are not described therein, and no such proceedings have been threatened against the Company or any of its Subsidiaries or with respect to any of their respective properties that are required to be described in the Registration Statement or the Prospectus and are not described therein.

(i) No authorization, approval or consent of any court or United States federal or state governmental authority or agency is necessary in connection with the sale of the Securities as contemplated hereunder, except such as may be required under the Act or the Regulations or state securities laws or real estate syndication laws.

(j) The Company and its Subsidiaries possess such certificates, authorities or permits issued by the appropriate state, federal or foreign regulatory agencies or bodies necessary to conduct the business now conducted by them, except where the failure to possess

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such certificates, authority or permits would not have a material adverse effect on the condition, financial or otherwise, or the earnings, business affairs or, to the Company's knowledge, business prospects of the Company and its Subsidiaries considered as one enterprise. Neither the Company nor any of its Subsidiaries has received any notice of proceedings relating to the revocation or modification of any such certificate, authority or permit which, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would materially and adversely affect the condition, financial or otherwise, or the earnings, business affairs or, to the Company's knowledge, business prospects of the Company and its Subsidiaries considered as one enterprise, nor, to the knowledge of the Company, are any such proceedings threatened or contemplated.

(k) The Company has full power and authority to enter into this Agreement, and this Agreement has been duly authorized, executed and delivered by the Company and constitutes a legal, valid and binding agreement of the Company, enforceable against the Company in accordance with its terms except as may be limited by (i) the effect of bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting the rights or remedies of creditors or (ii) the effect of general principles of equity, whether enforcement is considered in a proceeding in equity or at law and the discretion of the court before which any proceeding therefor may be brought (collectively, the "Enforceability Exceptions").

(l) As of the dates set forth therein or incorporated by reference, the Company had good and marketable title to all of the properties and assets reflected in the audited financial statements contained in the Prospectus, subject to no lien, mortgage, pledge or encumbrance of any kind except (i) those reflected in such financial statements, (ii) as are otherwise described in the Prospectus, (iii) as do not materially adversely affect the value of such property or interests or interfere with the use made or proposed to be made of such property or interests by the Company and each of its Subsidiaries or (iv) which constitute customary provisions of mortgage loans secured by the Company's properties creating obligations of the Company with respect to proceeds of the properties, environmental liabilities and other customary protections for the mortgagees.

(m) Any certificate signed by any officer of the Company and delivered to the Placement Agent or to counsel for the Placement Agent shall be deemed a representation and warranty by the Company to the Placement Agent as to the matters covered thereby.

(n) Neither the issuance, sale and delivery of the Securities nor the application of the proceeds thereof by the Company as described in the Prospectus will cause the Company to violate or be in violation of Regulation T, U or X of the Board of Governors of the Federal Reserve System or any other regulation of such Board of Governors.

(o) The statements set forth in the Basic Prospectus under the caption "Description of Our Common Stock" in so far as such statements purport to summarize provisions of laws or documents referred to therein, are correct in all material respects and fairly present the information required to be presented therein.

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(p) There is no contract, agreement, indenture or other document to which the Company or of its Subsidiary is a party required to be filed as an exhibit to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2004 or any subsequent Exchange Act filings prior to the date hereof that has not been so filed as required.

5. The Placement Agent represents and warrants to the Company that (i) it is duly registered and in good standing as a broker-dealer under the Exchange Act and licensed or otherwise qualified to do business as a broker-dealer with the National Association of Securities Dealers, Inc. and in all states in which it will offer any of the Securities pursuant to this Agreement, (ii) assuming the Prospectus complies with all relevant provisions of the Act in connection with the offer and sale of the Securities, the Placement Agent will conduct all offers and sales of the Securities in compliance with the relevant provisions of the Act and the Regulations and various state securities laws and regulations, (iii) the Placement Agent will only act as agent in those jurisdictions in which it is authorized to do so and (iv) the Placement Agent will not distribute to any Purchaser, Investment Advisor or Broker-Dealer any written material relating to the offering contemplated hereby other than the Registration Statement, or the Prospectus dated July 12, 2005 or any preliminary prospectus.

6. Except as otherwise herein provided, all statements, requests, notices and agreements shall be in writing and, if to the Placement Agent, shall be sufficient in all respects if delivered or sent by facsimile to 212-446-9181 or by certified mail to Cohen & Steers Capital Advisors, LLC, 757 Third Avenue, New York, New York 10017, Attention:

Bradley Razook, and, if to the Company, shall be sufficient in all respects if delivered or sent to the Company by facsimile to 805-981-8663 or by certified mail to the Company at 22917 Pacific Coast Highway, Suite 350, Malibu, CA 90265, Attention: Chief Financial Officer.

7. This Agreement shall be governed by the laws of the State of New York governing contracts made and to be performed in such State without giving effect to principles of conflicts of law.

8. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be the same Agreement. Executed counterparts may be delivered by facsimile.

9. When used herein, the phrase "to the knowledge of" the Company or "known to" the Company or any similar phrase means the actual knowledge of the Chief Executive Officer, Chief Financial Officer or Chief Operating Officer of the Company and includes the knowledge that such officers would have obtained of the matter represented after reasonable due and diligent inquiry of those employees of the Company whom such officers reasonably believe would have actual knowledge of the matters represented.

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If the foregoing is in accord with your understanding of our agreement, please sign in the space provided below and return a signed copy of this letter to the Company.

Sincerely,

LTC PROPERTIES, INC.

By:

/s/ Andre Dimitriadis
Name: Andre Dimitriadis

Accepted by:

COHEN & STEERS CAPITAL
ADVISORS, LLC

By: /s/ Peter Pickette
Name: Peter E. Pickette
Title: Managing Director

Annex I

Comfort Letter

Annex II

Opinion of Reed Smith, LLP

Annex III

Opinion of Ballard Spahr Andrews & Ingersoll, LLP

**FOR IMMEDIATE RELEASE**

Contact: Andre C. Dimitriadis, Chairman & CEO
Wendy L. Simpson, Vice Chairman & CFO
(805) 981-8655

**LTC ANNOUNCES PRICING AND SALE OF
1,500,000 SHARES OF ITS COMMON STOCK**

MALIBU, CALIFORNIA, July 12, 2005 — LTC Properties, Inc. (NYSE:LTC) ("LTC" or the "Company") announced today that it has agreed to sell 1,500,000 common shares in a registered direct placement to a number of institutional investors. LTC expects to receive net proceeds from the offering of approximately \$32.6 million and expects to close the sale on July 15, 2005. Prior to the closing the Company had 21,649,449 common shares issued and outstanding.

The Company intends to use the net proceeds for general corporate purposes including investments in and acquisitions of health care properties and the funding of mortgage loans secured by health care properties.

Cohen & Steers Capital Advisors, LLC acted as Placement Agent in this transaction.

Copies of the prospectus supplement and the accompanying prospectus may be obtained by contacting the Company at 22917 Pacific Coast Highway, Suite 350, Malibu, CA, 90265, Attention: Investor Relations, or at 805-981-8655. This press release shall not constitute an offer to sell or the solicitation of an offer to buy the securities, nor shall there be any sale of these securities in any state in which such offer, solicitation or sale would be unlawful.

The Company is a self-administered real estate investment trust that invests primarily in long-term care and other health care related facilities through mortgage loans, facility lease transactions and other investments. For more information on LTC Properties, Inc., visit the Company's website at www.ltcproperties.com.

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.

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