
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: May 4, 2011
(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)

2829 Townsgate Road, Suite 350
Westlake Village, CA 91361
(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))
-
-

Item 2.02. — Results of Operations and Financial Condition

On May 4, 2011, LTC Properties, Inc. announced the operating results for the three months ended March 31, 2011. The press release referred to a supplemental information package that is available on LTC's website at www.LTCProperties.com in the "Presentation" section of the "Investor Information" tab. The text of the press release and the supplemental information package are furnished herewith as Exhibits 99.1 and 99.2, respectively, and are specifically incorporated by reference herein.

The information in this Form 8-K and the related information in the exhibits attached hereto shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section and shall not be incorporated by reference into any filing of LTC under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any general incorporation language in such filing, except as shall be expressly set forth by specific reference in any such filing.

Item 9.01. — Financial Statements and Exhibits

(a) Financial Statements of Business Acquired.

None.

(b) Pro Forma Financial Information

None.

(d) Exhibits.

99.1 Press Release issued May 4, 2011.

99.2 LTC Properties, Inc. Supplemental Information Package for the period ending March 31, 2011.

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: May 4, 2011

By: /s/ WENDY L. SIMPSON
Wendy L. Simpson
CEO & President

**FOR IMMEDIATE RELEASE**

Contact: Wendy L. Simpson, CEO & President
 Pam Kessler, EVP & CFO
 (805) 981-8655

LTC ANNOUNCES FIRST QUARTER OPERATING RESULTS

WESTLAKE VILLAGE, CALIFORNIA, May 4, 2011 — LTC Properties, Inc. (NYSE:LTC) released results of operations for the three months ended March 31, 2011 and announced that net income available to common stockholders for the first quarter was \$5.4 million or \$0.20 per diluted share which included a \$3.6 million charge related to the Company's call for redemption of all of its 8.0% Series F Cumulative Preferred Stock ("Series F preferred stock") and \$0.5 million of the accrued and unpaid dividends on the Series F preferred stock for the period of April 1, 2011 to April 25, 2011. For the same period in 2010, net income available to common stockholders was \$6.7 million or \$0.29 per diluted share which included \$0.9 million provision for doubtful accounts related to a mortgage loan secured by a school property. The Company reported total revenues for the three months ended March 31, 2011, were \$20.3 million versus \$17.7 million for the same period last year.

During the three months ended March 31, 2011, the Company sold 3,990,000 shares in an underwritten public offering at a price of \$27.25 per share for gross proceeds of approximately \$108.7 million. Also during the three months ended March 31, 2011, the Company acquired two senior housing properties located in South Carolina with 118 licensed beds, 40 assisted living units, 34 independent living units, and 19 cottages and patio homes for \$11.5 million. These properties are leased to a third party operator under a 10-year lease with three 5-year renewal options. In addition, the Company purchased four skilled nursing properties with 524-beds in Texas for \$50.8 million which consists of \$41.0 million in cash at closing with the remainder in the form of contingent earn-out payments. The contingent earn-out payment arrangements require us to pay two earn-out payments totalling up to \$11.0 million upon the properties achieving a sustainable stipulated rent coverage ratio. These properties are leased to a third party operator under a 15-year lease with two five-year renewal options.

On March 24, 2011, the Company announced the redemption, effective April 25, 2011, of 3,536,530 shares of its Series F preferred stock, representing all of the outstanding shares. The redemption price was \$25.1333 per share, including accrued and unpaid dividends up to the redemption date. At March 31, 2011, the aggregate redemption amount of \$88.4 million was classified as a liability and the accrued and unpaid dividends were included under distributions payable on the consolidated balance sheet. Accordingly, the Company recognized the \$3.6 million of original issue costs related to the Series F preferred stock as a preferred stock redemption charge in the consolidated income statement line item income allocated to preferred stockholders.

On April 19, 2011, the Company announced that it had signed a new \$210.0 million, four-year Unsecured Credit Agreement ("Credit Agreement"), dated April 18, 2011. The Credit Agreement provides for the opportunity to increase the credit amount up to a total of \$250.0 million. The Credit Agreement provides a revolving line of credit with no scheduled maturities other than the maturity date of April 18, 2015, and allows LTC to borrow at the same interest rates applicable to borrowings under its prior credit agreement, 150 basis points over LIBOR based on current leverage ratios. Subsequent to March 31, 2011, LTC had \$70.0 million outstanding under the new Credit Agreement with \$140.0 million available for borrowing.

1

The Company will conduct a conference call on Thursday, May 5, 2011, at 12:00 p.m. Pacific time, in order to comment on the Company's performance and operating results for the quarter ended March 31, 2011. The conference call is accessible by dialing 877-317-6789. The international number is 412-317-6789. The earnings release will be available on our website. An audio replay of the conference call will be available from May 5, 2011 through May 19, 2011. Callers can access the replay by dialing 877-344-7529 or 412-317-0088 and entering conference number 450485. The Company's supplemental information package for the current period will also be available on the Company's website at www.LTCProperties.com in the "Presentations" section of the "Investor Information" tab.

At March 31, 2011, LTC had investments in 93 skilled nursing properties, 102 assisted living properties, 14 other senior housing properties and two schools. These properties are located in 30 states. Other senior housing properties consist of independent living properties and properties providing any combination of skilled nursing, assisted living and/or independent living services. The Company is a self-administered real estate investment trust that primarily invests in senior housing and long-term care 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. Please see our most recent Annual Report on Form 10-K, our subsequent Quarterly Reports on Form 10-Q, and in our other publicly available filings with the Securities and Exchange Commission for a discussion of these and other risks and uncertainties. All forward looking statements included in this press release are based on information available to the Company on the date hereof, and 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.

2

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

	Three Months Ended March 31,	
	2011	2010
Revenues:		
Rental income	\$ 18,182	\$ 15,481
Interest income from mortgage loans	1,656	1,979
Interest and other income	416	276

Total revenues	20,254	17,736
Expenses:		
Interest expense	1,104	401
Depreciation and amortization	4,521	3,787
(Recovery) provisions for doubtful accounts	(10)	1,061
Operating and other expenses	2,449	1,973
Total expenses	8,064	7,222
Income from continuing operations	12,190	10,514
Discontinued operations:		
(Expense) income from discontinued operations	(36)	56
Net (expense) income from discontinued operations	(36)	56
Net income	12,154	10,570
Income allocated to non-controlling interests	(48)	(48)
Net income attributable to LTC Properties, Inc.	12,106	10,522
Income allocated to participating securities	(89)	(43)
Income allocated to preferred stockholders	(6,624)	(3,785)
Net income available to common stockholders	\$ 5,393	\$ 6,694
<u>Basic earnings per common share</u>		
Continuing operations	\$ 0.21	\$ 0.29
Discontinued operation	\$ 0.00	\$ 0.00
Net income available to common stockholders	\$ 0.20	\$ 0.29
<u>Diluted earnings per common share</u>		
Continuing operations	\$ 0.21	\$ 0.28
Discontinued operation	\$ 0.00	\$ 0.00
Net income available to common stockholders	\$ 0.20	\$ 0.29
<u>Weighted average shares used to calculate earnings per common share</u>		
Basic	26,310	23,283
Diluted	26,340	23,384

NOTE: Computations of per share amounts from continuing operations, discontinued operations and net income are made independently. Therefore, the sum of per share amounts from continuing operations and discontinued operations may not agree with the per share amounts from net income available to common stockholders.

Reconciliation of Funds From Operations ("FFO")

FFO is a supplemental measure of a real estate investment trust's ("REIT") financial performance that is not defined by U.S. generally accepted accounting principles ("GAAP"). The Company uses FFO as a supplemental measure of our operating performance and we believe FFO is helpful in evaluating the operating performance of a REIT. Real estate values historically rise and fall with market conditions, but cost accounting for real estate assets in accordance with U.S. GAAP assumes that the value of real estate assets diminishes predictably over time. We believe that by excluding the effect of historical cost depreciation, which may be of limited relevance in evaluating current performance, FFO and normalized FFO facilitate comparisons of operating performance between periods.

FFO is defined as net income available to common stockholders (computed in accordance with U.S. GAAP) excluding gains or losses on the sale of assets plus real estate depreciation and amortization, with adjustments for unconsolidated partnerships and joint ventures. Adjustments for unconsolidated partnerships and joint ventures will be calculated to reflect FFO on the same basis. Normalized FFO represents FFO adjusted from certain items detailed in the reconciliations. The Company's computation of FFO may not be comparable to FFO reported by other REITs that do not define the term in accordance with the current National Association of Real Estate Investment Trusts' ("NAREIT") definition or that have a different interpretation of the current NAREIT definition from the Company; therefore, caution should be exercised when comparing our company's FFO to that of other REITs.

The Company uses FFO, normalized FFO, normalized FFO excluding non-cash rental income and normalized FFO excluding non-cash rental income and non-cash compensation charges as supplemental performance measures of our cash flow generated by operations and cash available for distribution to stockholders. FFO, normalized FFO, normalized FFO excluding non-cash rental income and normalized FFO excluding non-cash rental income and non-cash compensation charges do not represent cash generated from operating activities in accordance with U.S. GAAP, and are not necessarily indicative of cash available to fund cash needs and should not be considered an alternative to net income available to common stockholders.

The following table reconciles net income available to common stockholders to FFO available to common stockholders, normalized FFO available to common stockholders, normalized FFO available to common stockholders excluding non-cash rental income and normalized FFO available to common stockholders excluding non-cash rental income and non-cash compensation charges (*unaudited, amounts in thousands, except per share amounts*):

	Three Months Ended March 31,	
	2011	2010
Net income available to common stockholders	\$ 5,393	\$ 6,694
Add: Depreciation and amortization (continuing and discontinued operations)	4,521	3,860
FFO available to common stockholders	9,914	10,554
Add: Preferred stock redemption charge	3,566(1)	—

Add: Preferred stock redemption dividend	472(2)	—
Add: Non-recurring one-time items	—	852(3)
Normalized FFO available to common stockholders	13,952	11,406
Less: Non-cash rental income	(606)	(764)
Normalized FFO excluding non-cash rental income	13,346	10,642
Add: Non-cash compensation charges	358	366
Normalized FFO excluding non-cash rental income and non-cash compensation charges	<u>\$ 13,704</u>	<u>\$ 11,008</u>

(1) Represents the original issue costs related to the Series F preferred stock.

(2) Represents the accrued and unpaid dividends on the Series F preferred stock up to the redemption date which is the period of April 1, 2011 to April 25, 2011.

(3) Includes a \$0.9 million provision for doubtful accounts charge related to a mortgage loan secured by a school property located in Minnesota.

Basic FFO available to common stockholders per share	<u>\$ 0.38</u>	<u>\$ 0.45</u>
Diluted FFO available to common stockholders per share	<u>\$ 0.38</u>	<u>\$ 0.45</u>
Diluted FFO	<u>\$ 9,914</u>	<u>\$ 11,483</u>
Weighted average shares used to calculate diluted FFO per share available to common stockholders	<u>26,340^(*)</u>	<u>25,608</u>

(*) The Series C preferred stock, the participating securities and the non-controlling interest have been excluded as such inclusion would be anti-dilutive.

Basic normalized FFO available to common stockholders per share	<u>\$ 0.53</u>	<u>\$ 0.49</u>
Diluted normalized FFO available to common stockholders per share	<u>\$ 0.52</u>	<u>\$ 0.48</u>
Diluted normalized FFO	<u>\$ 14,907</u>	<u>\$ 12,335</u>
Weighted average shares used to calculate diluted normalized FFO per share available to common stockholders	<u>28,665</u>	<u>25,608</u>
Basic normalized FFO excluding non-cash rental income per share	<u>\$ 0.51</u>	<u>\$ 0.46</u>
Diluted normalized FFO excluding non-cash rental income per share	<u>\$ 0.50</u>	<u>\$ 0.45</u>
Diluted normalized FFO excluding non-cash rental income	<u>\$ 14,301</u>	<u>\$ 11,571</u>
Weighted average shares used to calculate diluted normalized FFO excluding non-cash rental income per share available to common stockholders	<u>28,665</u>	<u>25,608</u>
Basic normalized FFO excluding non-cash rental income and non-cash compensation charges per share	<u>\$ 0.52</u>	<u>\$ 0.47</u>
Diluted normalized FFO excluding non-cash rental income and non-cash compensation charges per share	<u>\$ 0.51</u>	<u>\$ 0.47</u>
Diluted normalized FFO excluding non-cash rental income and non-cash compensation charges	<u>\$ 14,659</u>	<u>\$ 11,937</u>
Weighted average shares used to calculate diluted normalized FFO excluding non-cash rental income and non-cash compensation charges per share available to common stockholders	<u>28,665</u>	<u>25,608</u>

LTC PROPERTIES, INC.
CONSOLIDATED BALANCE SHEETS
(Amounts in thousands)

	<u>March 31, 2011</u> (unaudited)	<u>December 31, 2010</u> (audited)
ASSETS		
Real Estate Investments:		
Land	\$ 47,393	\$ 42,254
Buildings and improvements	629,323	570,512
Accumulated depreciation and amortization	(163,196)	(158,709)
Net operating real estate property	513,520	454,057
Properties held-for-sale, net of accumulated depreciation and amortization: 2011 - \$0; 2010 - \$0	2,900	2,900
Net real estate property	516,420	456,957
Mortgage loans receivable, net of allowance for doubtful accounts: 2011 — \$961; 2010 — \$981	57,057	59,026
Real estate investments, net	573,477	515,983
Other Assets:		
Cash and cash equivalents	23,390	6,903
Debt issue costs, net	601	743
Interest receivable	1,379	1,571
Straight-line rent receivable, net of allowance for doubtful accounts: 2011 — \$1,483; 2010 — \$1,473	20,853	20,090
Prepaid expenses and other assets	8,126	8,202
Other assets related to properties held-for-sale	6	11
Notes receivable	1,117	1,283
Marketable securities	6,479	6,478
Total assets	<u>\$ 635,428</u>	<u>\$ 561,264</u>
LIABILITIES		
Bank borrowings	\$ —	\$ 37,700

Senior unsecured notes	50,000	50,000
Bonds payable	3,200	3,730
Accrued interest	605	675
Earn-out liabilities	9,841	—
Accrued expenses and other liabilities	9,046	9,869
Equity Shares, Series F called for redemption	88,413	—
Distributions payable	3,058	1,768
Total Liabilities	164,163	103,742

EQUITY

Stockholders' equity:		
Preferred stock \$0.01 par value; 15,000 shares authorized; shares issued and outstanding: 2011 — 2,000; 2010 — 5,536	38,500	126,913
Common stock: \$0.01 par value; 45,000 shares authorized; shares issued and outstanding: 2011 — 30,335; 2010 — 26,345	303	263
Capital in excess of par value	506,313	398,599
Cumulative net income	635,597	623,491
Other	249	264
Cumulative distributions	(711,659)	(693,970)
Total LTC Properties, Inc. stockholders' equity	469,303	455,560
Non-controlling interests	1,962	1,962
Total equity	471,265	457,522
Total liabilities and equity	\$ 635,428	\$ 561,264



Supplemental Operating and Financial Data
March 31, 2011
(Unaudited)



Bradenton, FL
60 licensed beds/22 units



Table of Contents

Company Information	3
Additional Information	4
Forward-Looking Statements	5
Non-GAAP Information	5
Acquisitions	6
Real Estate Portfolio Summary	7
Real Estate Portfolio Diversification	8-10
Top Ten Operators - Owned Portfolio	11
Market Capitalization	12
Proforma Market Capitalization	13
Lease & Mortgage Loan Receivable Maturity	14
Debt Maturity	15
Financial Data Summary	16-17
Funds from Operations	18



Company Information



Company

Founded in 1992, LTC Properties, Inc. is a self-administered real estate investment trust that primarily invests in senior housing and long-term care properties through facility lease transactions, mortgage loans, and other investments. Our primary objectives are to sustain and enhance stockholder equity value and provide current income for distribution to stockholders through real estate investments in long-term care properties and other health care related properties managed by experienced operators. To meet these objectives, we attempt to invest in properties that provide opportunity for additional value and current returns to our stockholders and diversify our investment portfolio by geographic location, operator, and form of investment. For more information on LTC Properties, Inc., visit the Company's website at www.LTCProperties.com.

Board of Directors

Andre Dimitriadis
Executive Chairman

Wendy Simpson

Edmund King

Timothy Triche, MD

Boyd Hendrickson
Lead Director

Devra Shapiro

Management

Andre Dimitriadis
Executive Chairman

Wendy Simpson
Chief Executive Officer and President

Pam Kessler
Executive Vice President and Chief Financial Officer

Clint Malin
Senior Vice President and Chief Investment Officer

Andy Stokes
Senior Vice President, Marketing & Strategic Planning

Contact Information

Corporate Office
2829 Townsgate Road, Suite 350
Westlake Village, CA 91361

Investor Relations
Investor.Relations@LTCProperties.com
(805) 981-8655

www.LTCProperties.com
(805) 981-8655 phone
(805) 981-8663 fax

3

CORPORATE



Additional Information

Analyst Coverage

BMO Capital Markets
Richard Anderson

Hilliard Lyons
John Roberts

JMP Securities
Peter Martin

KeyBanc Capital Markets
Karin Ford

Stifel, Nicolaus & Company, Incorporated
Jerry Doctrow

Any opinions, estimates, or forecasts regarding LTC's performance made by the analysts listed above do not represent the opinions, estimates, or forecasts of LTC or its management.

4

CORPORATE

Forward-Looking Statements

This supplemental information contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, adopted pursuant to the Private Securities Litigation Reform Act of 1995. Statements that are not purely historical may be forward-looking. You can identify some of the forward-looking statements by their use of forward-looking words, such as "believes," "expects," "may," "will," "should," "seeks," "approximately," "intends," "plans," "estimates" or "anticipates," or the negative of those words or similar words. Forward-looking statements involve inherent risks and uncertainties regarding events, conditions and financial trends that may affect our future plans of operation, business strategy, results of operations and financial position. A number of important factors could cause actual results to differ materially from those included within or contemplated by such forward-looking statements, including, but not limited to, the status of the economy, the status of capital markets (including prevailing interest rates), and our access to capital; the income and returns available from investments in health care related real estate, the ability of our borrowers and lessees to meet their obligations to us, our reliance on a few major operators; competition faced by our borrowers and lessees within the health care industry, regulation of the health care industry by federal, state and local governments, (including as a result of the Patient Protection and Affordable Care Act of 2010 and the Health Care and Education Reconciliation Act of 2010), changes in Medicare and Medicaid reimbursement amounts (including due to federal and state budget constraints), compliance with and changes to regulations and payment policies within the health care industry, debt that we may incur and changes in financing terms, our ability to continue to qualify as a real estate investment trust, the relative illiquidity of our real estate investments, potential limitations on our remedies when mortgage loans default, and risks and liabilities in connection with properties owned through limited liability companies and partnerships. For a discussion of these and other factors that could cause actual results to differ from those contemplated in the forward-looking statements, please see the discussion under "Risk Factors" and other information contained in our Annual Report on Form 10-K for the fiscal year ended December 31, 2010 and in our publicly available filings with the Securities and Exchange Commission. We do not undertake any responsibility to update or revise any of these factors or to announce publicly any revisions to forward-looking statements, whether as a result of new information, future events or otherwise.

Non-GAAP Information

This supplemental information contains certain non-GAAP information including EBITDA, normalized EBITDA, FFO, normalized FFO, normalized interest coverage ratio, and normalized fixed charges coverage ratio. A reconciliation of this non-GAAP information is provided on pages 17-18 of this supplemental information, and additional information is available under the "Non-GAAP Financial Measures" subsection under the "Selected Financial Data" section of our website at www.LTCProperties.com.

5

CORPORATE



Acquisitions: Year 2010 and 1st Quarter 2011

(dollars in thousands)

DATE	# OF PROPERTIES	ASSET CLASS ⁽¹⁾	# BEDS/UNITS	LOCATION	DATE OF CONSTRUCTION	PURCHASE PRICE	ANNUAL GAAP REVENUE	GAAP Lease Yield
01/29/10	1	SNF	166	TX	1987-1988 ⁽²⁾	\$ 7,850	\$ 892	11.4%
02/22/10	1	SNF	120	FL	1988	9,000	997	11.1%
06/01/10	2	SNF/OTHER ⁽¹⁾	227 beds/93 units	VA	1970-2005	22,000	2,420	11.0%
10/29/10	4	ALF	241	MS & FL	1999-2004	26,900	2,952	11.0%
11/30/10	2	SNF	292	TX	1988-2009	28,500	2,919	10.2%
Total 2010	10		805 beds/334 units			\$ 94,250		
02/28/11	2	OTHER	118 beds/93 units	SC	1965-2001	\$ 11,450	\$ 1,162	10.1%
03/09/11	4	SNF	524	TX	2007-2008	50,841 ⁽⁴⁾	4,319	8.5% ⁽⁴⁾
Total 2011	6		642 beds/93 units			\$ 62,291		
Total	16		1,447 beds/427 units			\$ 156,541		

(1) One property is a SNF and the other provides a continuum of care comprised of independent living, assisted living, and skilled nursing.

(2) Renovation in 1991.

(3) Other senior housing consists of independent living properties and properties providing any combination of skilled nursing, assisted living and/or independent living services.

(4) The purchase price of \$50,841 includes \$41,000 of cash and \$9,841 of earn-out liabilities. Excluding the \$9,841 earn-out liabilities GAAP lease yield is 10.5%.



Newberry, SC
20 licensed beds/93 units



Crowley, TX
120 licensed beds

6

REAL ESTATE PORTFOLIO



Real Estate Portfolio Summary

Real Estate Portfolio Snapshot

(dollars in thousands)

Three Months Ended March 31, 2011										
Type of Property	Gross Investments	% of Investments	Rental Income ⁽¹⁾	Interest Income ⁽²⁾	% of Revenues ⁽³⁾	No. of Props	No. of SNF Beds ⁽⁴⁾	No. of ALF Units ⁽⁴⁾	No. of ILF Units ⁽⁴⁾	Investment per Bed/Unit
Skilled Nursing	\$349,700	47.4%	\$7,875	\$905	44.3%	93	10,736	-	-	\$32.57
Assisted Living	308,702	41.8%	8,279	657	45.0%	102	-	4,365	-	\$70.72
Other Senior Housing ⁽⁵⁾	67,062	9.1%	1,724	94	9.2%	14	913	330	423	\$40.25
Schools ⁽⁶⁾	12,170	1.7%	304	-	1.5%	2	-	-	-	-
Total	\$737,634	100.0%	\$18,182	\$1,656	100.0%	211	11,649	4,695	423	

(1) Includes rental income from properties classified as held-for-sale.

(2) Includes interest income from mortgage loans.

(3) Includes rental income and interest income from mortgage loans (continuing and discontinued operations).

(4) Based on licensed beds/units which may differ from the number of beds/units in service at any given time.

(5) Includes independent living properties and properties providing any combination of skilled nursing, assisted living and/or independent living services.

(6) During the year ended December 31, 2010, we acquired a school property located in Minnesota via deed in lieu of foreclosure as a result of the borrower filing for Chapter 7 bankruptcy. The school property has been classified as held-for-sale and the Company is actively marketing to sell this school property.

Portfolio Statistics ⁽¹⁾

Owned Properties	Occupancy ⁽²⁾		EBITDAR Coverage ⁽³⁾		EBITDARM Coverage ⁽⁴⁾	
	4Q10	3Q10	4Q10	3Q10	4Q10	3Q10
Assisted Living ⁽⁵⁾	77.7%	76.6%	1.31	1.33	1.53	1.55
Assisted Living ⁽⁶⁾	88.4%	88.0%	1.38	1.44	1.63	1.70
Skilled Nursing	79.3%	79.5%	2.06	1.99	2.79	2.74
Other Senior Housing	90.1%	89.8%	1.56	1.52	2.06	2.02

(1) Based on the September 30, 2010 and December 31, 2010 property level financial statements we received from our operations which are unaudited and have not been independently verified by us.

(2) Based on licensed beds/units which may differ from the number of beds/units in service at any given time.

(3) Earnings before interest, taxes, depreciation, amortization, and rent. Management fees are imputed at 3% of revenues.

(4) Earnings before interest, taxes, depreciation, amortization, rent, and management fees.

(5) Includes properties leased to Assisted Living Concepts, Inc. (ALC).

(6) Excludes properties leased to Assisted Living Concepts, Inc. (ALC).

Non-Cash Rental Revenue Components

(amounts in thousands)

	1Q11	2Q11 ⁽¹⁾	3Q11 ⁽¹⁾	4Q11 ⁽¹⁾	1Q12 ⁽¹⁾
Straight-line rent	\$ 773	\$ 884	\$ 835	\$ 780	\$ 547
Amort. Lease break fee	(167)	(167)	(167)	(167)	(167)
Net	\$ 606	\$ 717	\$ 668	\$ 613	\$ 380

(1) Projections based on current in-place leases and do not assume any increase in straight-line rent from additional acquisitions. Also exclude additional rent from the exit-out liability payment.

REAL ESTATE PORTFOLIO

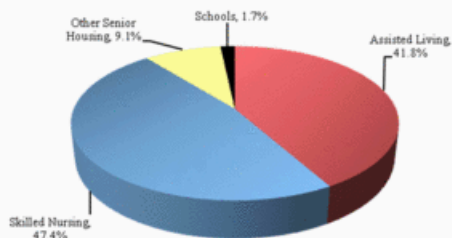
7



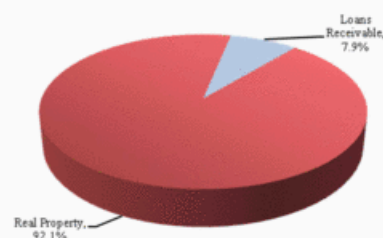
Real Estate Portfolio Diversification

Owned and Loan Portfolio – Property and Asset Type Diversification

Gross Asset Value By Property Type

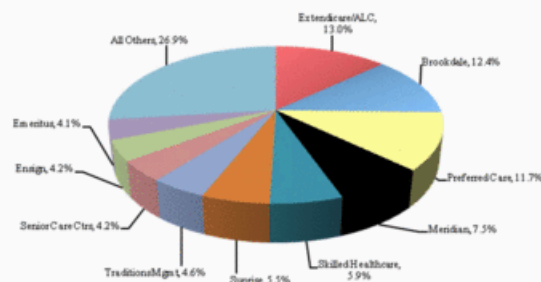


Gross Asset Value By Asset Type



Owned Portfolio – Operator Diversification

Gross Asset Value By Operator



REAL ESTATE PORTFOLIO

8



Real Estate Portfolio Diversification

(dollars in thousands)

Owned and Loan Portfolio – Property and Asset Type Diversification

Property Type	# of Properties	Gross Investment	%	Three Months Ended March 31, 2011	
				Revenue ⁽¹⁾	%
Skilled Nursing	93	\$ 349,700	47.4%	\$ 8,780	44.3%
Assisted Living	102	308,702	41.8%	8,936	45.0%
Other Senior Housing	14	67,062	9.1%	1,818	9.2%
Schools	2	12,170	1.7%	304	1.5%
Total	211	\$ 737,634	100.0%	\$ 19,838	100.0%

Asset Type	Gross Investment	%
Real Property	\$ 679,616	92.1%
Loans Receivable	58,018	7.9%
Total	\$ 737,634	100.0%

(1) Includes rental income and interest income from mortgage loans (continuing and discontinued operations).

Owned Portfolio – Operator Diversification

Operator	# of Props	Gross Investment	%	Annualized GAAP Rent	%
Extendicare REIT and Assisted Living Concepts, Inc	37	\$ 88,034	13.0%	\$ 10,963	14.1%
Brookdale Senior Living Communities, Inc.	35	84,210	12.4%	10,523	13.6%
Preferred Care, Inc.	26	79,797	11.7%	10,155	13.1%
Meridian Senior Properties Fund II, LP	4	50,841	7.5%	4,319	5.6%
Skilled Healthcare Group, Inc.	5	40,270	5.9%	4,501	5.8%
Sunrise Senior Living	6	37,659	5.5%	4,614	6.0%
Traditions Management	3	31,000	4.6%	3,417	4.4%
Senior Care Centers, LLC	2	28,500	4.2%	2,919	3.8%
The Ensign Group, Inc.	3	28,496	4.2%	1,596	2.1%
Emeritus Corporation	2	28,070	4.1%	2,726	3.5%
All Others	45	182,739	26.9%	21,766	28.0%
Total	168	\$ 679,616	100.0%	\$ 77,499	100.0%

REAL ESTATE PORTFOLIO

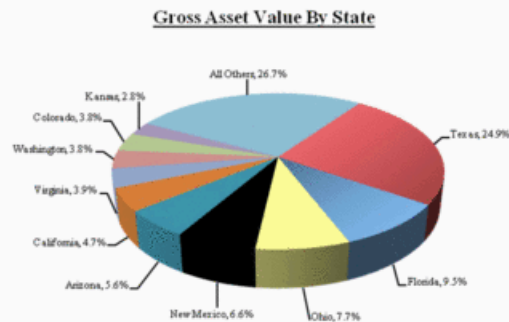
9



Real Estate Portfolio Diversification

State Diversification – By Property Type

State ⁽¹⁾	# of Props	Gross Investment	%
Texas	59	\$ 183,600	24.9%
Florida	18	70,406	9.5%
Ohio	17	56,804	7.7%
New Mexico	7	48,876	6.6%
Arizona	7	41,212	5.6%
California	5	34,877	4.7%
Virginia	4	29,052	3.9%
Washington	10	28,038	3.8%
Colorado	10	27,806	3.8%
Kansas	7	20,554	2.8%
All Others	67	196,409	26.7%
Total	211	\$ 737,634	100.0%



State ⁽¹⁾	ALF	SNF	OTH	School	Gross Investment
Texas	\$ 32,369 10.5%	\$ 142,606 40.8%	\$ 8,625 12.9%	\$ - 0.0%	\$ 183,600
Florida	36,625 11.9%	20,361 5.8%	13,420 20.0%	- 0.0%	70,406
Ohio	44,647 14.5%	12,157 3.5%	- 0.0%	- 0.0%	56,804
New Mexico	- 0.0%	48,876 14.0%	- 0.0%	- 0.0%	48,876
Arizona	5,120 1.7%	36,092 10.3%	- 0.0%	- 0.0%	41,212
California	28,070 9.1%	3,556 1.0%	3,251 4.8%	- 0.0%	34,877
Virginia	- 0.0%	15,713 4.5%	13,339 19.9%	- 0.0%	29,052
Washington	19,080 6.2%	8,958 2.6%	- 0.0%	- 0.0%	28,038
Colorado	18,402 6.0%	7,397 2.1%	2,007 3.0%	- 0.0%	27,806
Kansas	6,733 2.2%	13,821 4.0%	- 0.0%	- 0.0%	20,554
All Others	117,656 37.9%	40,163 11.4%	26,420 39.4%	12,170 100.0%	196,409
Total	\$ 308,702 100.0%	\$ 349,700 100.0%	\$ 67,062 100.0%	\$ 12,170 100.0%	\$ 737,634

(1) Due to master leases with properties in multiple states, revenue by state is not available.

REAL ESTATE PORTFOLIO

10



Top Ten Operators – Owned Portfolio

Extendicare REIT and Assisted Living Concepts, Inc. (TSX: EXE.UN) operates 265 senior care facilities in Canada and in the United States with the ability to serve approximately 29,400 residents. EHSI offers a continuum of health care services, including nursing care, assisted living and related medical specialty services, such as sub-acute care and rehabilitative therapy on an inpatient and outpatient basis. ALC (NYSE: ALC) and its subsidiaries operate 211 residences which include licensed assisted living and senior living residences with capacity for 9,305 residents in 20 states. As of March 31, 2011, the LTC portfolio consisted of 37 assisted living properties in 10 states with a gross investment balance of \$88.0 million.

Brookdale Senior Living, Inc. (NYSE: BKD) operates 559 senior living and retirement communities with the ability to serve approximately 51,300 residents. As of March 31, 2011, the LTC portfolio consisted of 35 assisted living properties in 8 states with a gross investment balance of \$84.2 million.

Preferred Care, Inc. (Privately held) operates 69 facilities comprised of skilled nursing, assisted living, and independent living facilities, as well as 5 specialty care facilities, in 9 states. As of March 31, 2011, the LTC portfolio consisted of 24 skilled nursing and 2 other senior housing properties in 6 states with a gross investment balance of \$79.8 million. They also operate 1 skilled nursing facility under a sub-lease with another lessee we have which is not included in the Preferred Care rental revenue.

Meridian Senior Properties Fund II, LP (Privately held) acquires and develops independent living, assisted living and skilled nursing facilities and (owns or leases) 10 skilled nursing facilities and one assisted living facility, all located in Texas. They are currently developing two new skilled nursing facilities. As of March 31, 2011, the LTC portfolio consisted of 4 skilled nursing properties in 1 state with a gross investment balance of \$50.8 million which includes \$9.8 million of earn-out liabilities.

Skilled Healthcare Group (NYSE: SKH) is a holding company with subsidiaries that operate skilled nursing facilities, assisted living facilities, a rehabilitation therapy business, and a hospice business. Skilled Healthcare operates in 7 states, including 78 skilled nursing facilities and 22 assisted living facilities. As of March 31, 2011, the LTC portfolio consisted of 5 skilled nursing properties in 1 state with a gross investment balance of \$40.3 million.

Sunrise Senior Living (NYSE: SRZ) operates 319 communities in the United States, Canada and the United Kingdom, with a total capacity of approximately 31,200 units. Sunrise offers a full range of personalized senior living services, including independent living, assisted living, care for individuals with Alzheimer's disease and other forms of memory loss, as well as Nursing and Rehabilitative services. As of March 31, 2011, the LTC portfolio consisted of 6 assisted living properties in 2 states with a gross investment balance of \$37.7 million.

Traditions Management (Privately held) operates 12 independent living, assisted living, and skilled nursing facilities in 5 states. As of March 31, 2011, the LTC portfolio consisted of 2 skilled nursing and 1 other senior housing properties in 2 states with a gross investment balance of \$31.0 million. They also operate 2 skilled nursing properties under a sub-lease with another lessee we have which is not included in the Traditions Management rental revenue.

Senior Care Centers, LLC (Privately held) provides skilled nursing care, long-term care, Alzheimer's care, assisted living, and independent living services in over 20 facilities exclusively in Texas. As of March 31, 2011, the LTC portfolio consisted of 2 skilled nursing properties in 1 state with a gross investment balance of \$28.5 million. They also manage the Meridian properties under a management agreement.

The Ensign Group (NASDAQ: ENSG) provides skilled nursing and assisted living services, physical, occupational and speech therapies, home health and hospice services, and other rehabilitative and healthcare services for both long-term residents and short-stay rehabilitation patients at 82 facilities in 7 states. As of March 31, 2011, the LTC portfolio consisted of 3 skilled nursing properties in 1 state with a gross investment balance of \$28.5 million.

Emeritus Senior Living (NYSE: ESC) is a national public provider of independent living, assisted living, and Alzheimer's services. The company operates 479 communities representing capacity for approximately 49,700 residents in 42 states. As of March 31, 2011, the LTC portfolio consisted of 2 assisted living properties in 1 state with a gross investment balance of \$28.1 million.

11

REAL ESTATE PORTFOLIO



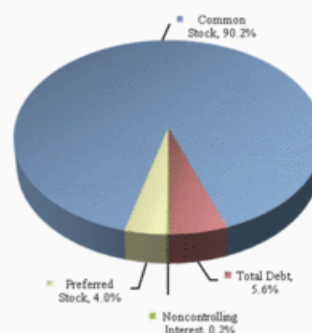
Market Capitalization

Capitalization at March 31, 2011

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

		At March 31, 2011	Capitalization
Debt			
Bank Borrowing ⁽¹⁾		\$ -	
Senior Unsecured Notes		50,000	
Bonds Payable		3,200	
Total Debt		53,200	5.6%
Equity			
	March 31, 2011		
	No. of Shares	Closing	
Preferred Stock -Series C ⁽²⁾			38,500
Common Stock ⁽³⁾	30,334,574	\$ 28.34	859,682
Noncontrolling interest			1,962
Total Equity			900,144
			94.4%
Market Capitalization			953,344
Less: Cash Balance		(23,390)	
Enterprise Value		\$ 929,954	
Debt to Enterprise Value			5.7%
Debt & Preferred to Enterprise Value			9.9%

Capitalization



- (1) The Company had a \$110 million revolving commitment with a \$10 million accordion feature. Subsequent to March 31, 2011, we entered into a new \$210 million revolving commitment with a \$40 million accordion feature, with no scheduled maturities other than the maturity date of April 18, 2015.
- (2) Non-traded shares. Two million shares outstanding with a face rate of 8.5% and a liquidation value of \$19.25, convertible into common stock on a one-for-one basis. Our Preferred C's are not redeemable by us.
- (3) Traded on NYSE.

12

FINANCIAL



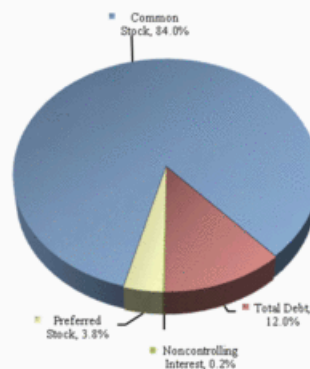
Proforma Market Capitalization

Proforma Capitalization at March 31, 2011

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

		At March 31, 2011	Capitalization
Debt			
Bank Borrowing ⁽¹⁾		\$ 70,000	
Senior Unsecured Notes		50,000	
Bonds Payable		3,200	
Total Debt		123,200	12.0%
Equity			
	No. of Shares	March 31, 2011 Closing	
Preferred Stock -Series C ⁽²⁾		38,500	3.8%
Common Stock ⁽³⁾	30,334,574	\$ 28.34	84.0%
Noncontrolling interest		1,962	0.2%
Total Equity		900,144	88.0%
Market Capitalization		1,023,344	100.0%
Less: Cash Balance		(4,505)	
Enterprise Value		\$ 1,018,839	
Debt to Enterprise Value			12.1%
Debt & Preferred to Enterprise Value			15.9%

Capitalization



- (1) The Company had a \$110 million revolving commitment with a \$10 million accordion feature. Subsequent to March 31, 2011, we entered into a new \$210 million revolving commitment with a \$40 million accordion feature, with no scheduled maturities other than the maturity date of April 18, 2015. Subsequent to March 31, 2011, we borrowed \$70 million under our new revolving commitment.
- (2) Non-traded shares. Two million shares outstanding with a face rate of 8.5% and a liquidation value of \$19.25, convertible into common stock on a one-for-one basis. Our Preferred C's are not redeemable by us.
- (3) Traded on NYSE.

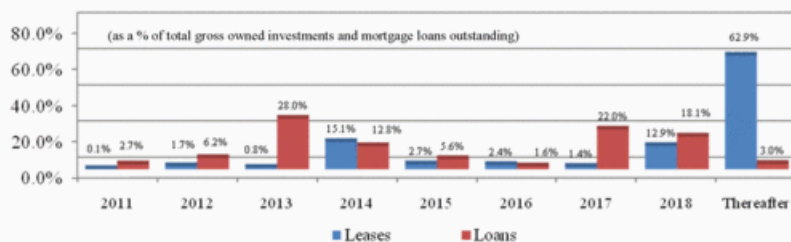
13

FINANCIAL



Lease and Mortgage Loan Receivable Maturity

LTC's investment portfolio has a long-term weighted roll-over maturity schedule. Over 76% of the portfolio has lease expirations beyond 2016. Over 42% of outstanding mortgage loans mature after 2016.



Rental Revenue and Interest Income Maturity (amounts in thousands)

Year	Annualized GAAP Rental Income	% of Total	Interest Income ⁽¹⁾	% of Total	Total Rental and Interest Income	% of Total
2011	\$ 243	0.3%	\$ 226	4.3%	\$ 469	0.6%
2012	1,271	1.6%	402	7.7%	1,673	2.0%
2013	991	1.3%	1,912	36.5%	2,903	3.5%
2014	12,936	16.7%	849	16.2%	13,785	16.7%
2015	2,243	2.9%	269	5.1%	2,512	3.0%
2016	2,129	2.7%	26	0.5%	2,155	2.6%
2017	1,215	1.6%	627	12.0%	1,842	2.2%
2018	10,188	13.1%	803	15.3%	10,991	13.3%
Thereafter	46,283	59.8%	123	2.4%	46,406	56.1%
Total	\$ 77,499	100.0%	\$ 5,237	100.0%	\$ 82,736	100.0%

(1) Reflects annualized contract rate of interest for loans, net of collectability reserves, if applicable.

14

FINANCIAL

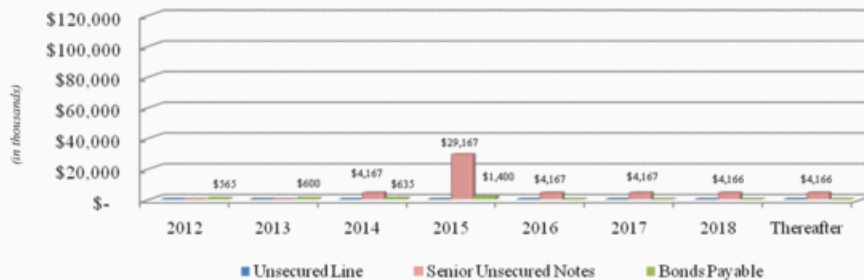
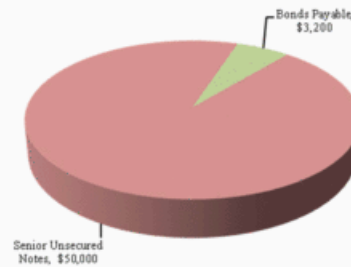
Debt Maturity (amounts in thousands)				
Year	Unsecured Line of Credit ⁽²⁾	Senior Unsecured Notes ⁽¹⁾	Bonds Payable ⁽¹⁾	Total
2012	\$ -	\$ -	\$ 565	\$ 565
2013	-	-	600	600
2014	-	4,167	635	4,802
2015	-	29,167	1,400	30,567
2016	-	4,167	-	4,167
2017	-	4,167	-	4,167
2018	-	4,166	-	4,166
Thereafter	-	4,166	-	4,166
Total	\$ -	\$ 50,000	\$ 3,200	\$ 53,200

(1) Reflects scheduled principal payments for amortizing of debt.

(2) Reflects amount outstanding at March 31, 2011. Subsequent to March 31, 2011, we entered into a new \$210 million Unsecured Credit Agreement with a \$40 million accordion feature, with no scheduled maturities other than the maturity date of April 18, 2015. Subsequent to March 31, 2011, we borrowed \$70 million under our new Unsecured Credit Agreement.

Debt Structure

Amounts outstanding at March 31, 2011
(in thousands)



15

FINANCIAL

Balance Sheet and Coverage Ratios

(dollars in thousands)

	For the Year Ended			Three Months Ended	Proforma
	12/31/08	12/31/09	12/31/10	03/31/11	03/31/11
Net Real Estate Assets	\$449,683	\$444,163	\$515,983	\$573,477	\$573,477
Total Assets	506,053	490,593	561,264	635,428	616,543
Total Debt	36,753	25,410	91,430	53,200	123,200
Total Liabilities	45,041	36,280	103,742	164,602	146,034
Preferred Stock	189,560	186,801	126,913	38,500	38,500
Total Equity	461,012	454,313	457,522	471,265	470,948
Debt to book capitalization ratio	7.4%	5.3%	16.7%	10.1%	20.7%
Debt & Preferred Stock to book capitalization ratio	45.5%	44.2%	39.8%	17.5%	27.2%
Debt to market capitalization ratio	5.4%	3.0%	9.5%	5.6%	12.0%
Debt & Preferred Stock to market capitalization ratio	30.1%	25.1%	23.0%	9.6%	15.8%
Debt to Normalized EBITDA	0.6x	0.4x	1.4x	3.0x	6.9x
Normalized interest coverage ratio	15.1x	25.4x	24.5x	16.1x	12.5x
Normalized fixed charges coverage ratio	3.2x	3.5x	4.0x	4.3x	7.9x

16

FINANCIAL



Financial Data Summary

Reconciliation of Normalized EBITDA and Fixed Charges

(amounts in thousands)

	For the Year Ended			Three Months Ended	Proforma
	12/31/08	12/31/09	12/31/10	03/31/11	03/31/11
Net income	\$ 43,284	\$ 44,360	\$ 46,053	\$ 12,154	\$ 11,837
Less: Gain on sale	(92)	-	(310)	-	-
Add: Interest expense	4,114	2,418	2,653	1,104	1,421
Add: Depreciation and amortization (including discontinued operations)	14,960	14,822	16,109	4,521	4,521
EBITDA	62,266	61,600	64,505	17,779	17,779
(Deduct)/Add back:					
Non-recurring one-time charge	-	(198)	467	-	-
Total non-recurring (expenses)/revenue	-	(198)	467	-	-
Normalized EBITDA	\$ 62,266	\$ 61,402	\$ 64,972	\$ 17,779	\$ 17,779
Interest expense	\$ 4,114	\$ 2,418	\$ 2,653	\$ 1,104	\$ 1,421
Preferred stock dividend	15,390	15,141	13,662	3,058	818
Fixed Charges	\$ 19,504	\$ 17,559	\$ 16,315	\$ 4,162	\$ 2,239

17

FINANCIAL



Funds from Operations

FFO Reconciliation

(amounts in thousands, except per share amounts)

	Three Months Ended March 31,	
	2011	2010
Net income available to common stockholders	\$ 5,393	\$ 6,694
Add: Depreciation and amortization (continuing and discontinued operations)	4,521	3,860
FFO available to common stockholders	9,914	10,554
Add: Preferred stock redemption charge	3,566 ⁽¹⁾	-
Add: Preferred stock redemption dividend	472 ⁽²⁾	-
Add: Non-recurring one time items	-	852 ⁽³⁾
Normalized FFO available to common stockholders	13,952	11,406
Less: Non-cash rental income	(606)	(764)
Normalized FFO excluding non-cash rental income	13,346	10,642
Add: Non-cash compensation charges	358	366
Normalized FFO excluding non-cash rental income and non-cash compensation charges	\$ 13,704	\$ 11,008
Diluted FFO available to common stockholders per share	\$0.38	\$0.45
Diluted normalized FFO available to common stockholders per share	\$0.52	\$0.48
Diluted normalized FFO excluding non-cash rental income per share	\$0.50	\$0.45
Diluted normalized FFO excluding non-cash rental income and non-cash compensation charges per share	\$0.51	\$0.47

(1) Represents the original issue costs related to the Series F Preferred Stock

(2) Represents the accrued and unpaid dividends on the Series F Preferred Stock up to the redemption date which is the period of April 1, 2011 - April 25, 2011.

(3) Includes a \$0.9 million provision for doubtful accounts charge related to a mortgage loan secured by a school property located in Minnesota.

18

FINANCIAL