
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: **April 30, 2013**
(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))
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Item 2.02. — Results of Operations and Financial Condition

On April 30, 2013, LTC Properties, Inc. announced the operating results for the three months ended March 31, 2013. 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 April 30, 2013.

99.2 LTC Properties, Inc. Supplemental Information Package for the period ending March 31, 2013.

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.

Dated: April 30, 2013

By: /s/ WENDY L. SIMPSON

Wendy L. Simpson
CEO & President



FOR IMMEDIATE RELEASE

For more information contact:
 Wendy L. Simpson
 Pam Kessler
 (805) 981-8655

LTC REPORTS FIRST QUARTER 2013 RESULTS

WESTLAKE VILLAGE, CALIFORNIA, April 30, 2013 — LTC Properties, Inc. (NYSE: LTC) (“LTC” or the “Company”) announced operating results for the quarter ended March 31, 2013. The Company reported a 10.1% increase in normalized Funds from Operations (“FFO”) to \$19.0 million for the quarter ended March 31, 2013, from \$17.3 million for the comparable 2012 period. Normalized FFO per diluted common share was \$0.61 for the quarter ended March 31, 2013, an increase of 8.9% from \$0.56 for the comparable 2012 period. Normalized FFO for the quarter ended March 31, 2013, excludes \$0.7 million of one-time severance and accelerated restricted stock vesting charges related to the retirement of our Senior Vice President, Marketing and Strategic Planning and \$0.1 million of non-cash interest related to earn-out liabilities. The increase in normalized FFO and normalized FFO per diluted common share was due to higher revenues from acquisitions partially offset by an increase in interest expense and higher weighted average shares outstanding.

FFO was \$18.2 million for the first quarter of 2013 compared to \$17.2 million for the first quarter of 2012. FFO per diluted common share was \$0.59 for the first quarter of 2013 compared to \$0.56 for the first quarter of 2012. The increase in FFO and FFO per diluted common share was due to higher revenues from acquisitions partially offset by an increase in interest expense, general and administrative expenses and higher weighted average shares outstanding.

Net income available to common stockholders for the quarter ended March 31, 2013 was \$12.1 million or \$0.40 per diluted share. For the same period in 2012, net income available to common stockholders was \$12.0 million or \$0.40 per diluted share. The increase in net income available to common stockholders was due primarily to higher revenues from acquisitions partially offset by an increase in interest expense, higher depreciation and amortization expense, the one-time charges related to our Senior Vice President’s retirement and higher weighted average shares outstanding.

Conference Call Information

The Company will conduct a conference call on Wednesday, May 1, 2013, at 7:00 a.m. Pacific Time, in order to comment on the Company’s performance and operating results for the quarter ended March 31, 2013. The conference call is accessible by dialing 888-317-6016. The international number is 412-317-6016. An audio replay of the conference call will be available from May 1 through May 17, 2013. Callers can access the replay by dialing 877-344-7529 or 412-317-0088 and entering conference number 10027691. The earnings release will be available on our website. 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.

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About LTC

At March 31, 2013, LTC had investments in 90 skilled nursing properties, 104 assisted living properties, 9 range of care properties, two schools and five parcels of land under development. These properties are located in 29 states. Assisted living properties, independent living properties, memory care properties and combinations thereof are included in the assisted living property type. Range of care properties consist of properties providing skilled nursing and any combination of assisted living, independent living and/or memory care services. The Company is a self-administered real estate investment trust that primarily invests in senior housing and long-term care facilities through facility lease transactions, mortgage loans and other investments. For more information on LTC Properties, Inc., visit the Company’s website at www.LTCProperties.com.

Forward Looking Statements

This press release includes statements that are not purely historical and are “forward looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including statements regarding the Company’s expectations, beliefs, intentions or strategies regarding the future. All statements other than historical facts contained in this press release are forward looking statements. These forward looking statements involve a number of risks and uncertainties. Please see 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.

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

	Three Months Ended March 31,	
	2013	2012
Revenues:		
Rental income	\$ 24,511	\$ 20,872
Interest income from mortgage loans	1,059	1,532
Interest and other income	93	236
Total revenues	25,663	22,640
Expenses:		
Interest expense	3,133	2,033

Depreciation and amortization	6,136	5,167
General and administrative expenses	3,418	2,524
Total expenses	12,687	9,724
Income from continuing operations	12,976	12,916
Discontinued operations:		
Gain on sale of assets, net	—	16
Net income from discontinued operations	—	16
Net income	12,976	12,932
Income allocated to non-controlling interests	—	(11)
Net income attributable to LTC Properties, Inc.	12,976	12,921
Income allocated to participating securities	(98)	(94)
Income allocated to preferred stockholders	(818)	(818)
Net income available to common stockholders	\$ 12,060	\$ 12,009
Basic earnings per common share:		
Continuing operations	\$ 0.40	\$ 0.40
Discontinued operations	\$ 0.00	\$ 0.00
Net income available to common stockholders	\$ 0.40	\$ 0.40
Diluted earnings per common share:		
Continuing operations	\$ 0.40	\$ 0.40
Discontinued operations	\$ 0.00	\$ 0.00
Net income available to common stockholders	\$ 0.40	\$ 0.40
Weighted average shares used to calculate earnings per common share:		
Basic	30,365	30,189
Diluted	30,399	30,234

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 allocable to common stockholders.

Supplemental Reporting Measures

FFO, adjusted FFO (“AFFO”), and Funds Available for Distribution (“FAD”) are supplemental measures of a real estate investment trust’s (“REIT”) financial performance that are not defined by U.S. generally accepted accounting principles (“GAAP”). Investors, analysts and the Company use FFO, AFFO and FAD as supplemental measures of operating performance and we believe they are 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, AFFO and FAD facilitate comparisons of operating performance between periods. Additionally the Company believes that normalized FFO, normalized AFFO and normalized FAD provide useful information because they allow investors, analysts and our management to compare the Company’s operating performance on a consistent basis without having to account for differences caused by unanticipated items.

FFO, as defined by the National Association of Real Estate Investment Trusts (“NAREIT”), means net income available to common stockholders (computed in accordance with U.S. GAAP) excluding gains or losses on the sale of real estate and impairment write-downs of depreciable real estate plus real estate depreciation and amortization, and after adjustments for unconsolidated partnerships and joint ventures. Normalized FFO represents FFO adjusted for 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 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.

We define AFFO as FFO excluding the effects of straight-line rent and amortization of lease inducement. U.S. GAAP requires rental revenues related to non-contingent leases that contain specified rental increases over the life of the lease to be recognized evenly over the life of the lease. This method results in rental income in the early years of a lease that is higher than actual cash received, creating a straight-line rent receivable asset included in our consolidated balance sheet. At some point during the lease, depending on its terms, cash rent payments exceed the straight-line rent which results in the straight-line rent receivable asset decreasing to zero over the remainder of the lease term. By excluding the non-cash portion of straight-line rental revenue and amortization of lease inducement, investors, analysts and our management can compare AFFO between periods. Normalized AFFO represents AFFO adjusted for certain items detailed in the reconciliations.

We define FAD as AFFO excluding the effects of non-cash compensation charges. FAD is useful in analyzing the portion of cash flow that is available for distribution to stockholders. Investors, analysts and the Company utilize FAD as an indicator of common dividend potential. The FAD payout ratio, which represents annual distributions to common shareholders expressed as a percentage of FAD, facilitates the comparison of dividend coverage between REITs. Normalized FAD represents FAD adjusted for certain items detailed in the reconciliations.

The Company uses FFO, normalized FFO, normalized AFFO and normalized FAD as supplemental performance measures of our cash flow generated by operations and cash available for distribution to stockholders. FFO, normalized FFO, normalized AFFO and normalized FAD 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.

Reconciliation of FFO, Normalized FFO, Normalized AFFO and Normalized FAD

The following table reconciles net income available to common stockholders to FFO available to common stockholders, normalized FFO available to common stockholders, normalized AFFO and normalized FAD (unaudited, amounts in thousands, except per share amounts):

	Three Months Ended March 31,	
	2013	2012
Net income available to common stockholders	\$ 12,060	\$ 12,009
Add: Depreciation and amortization	6,136	5,167
Less: Gain on sale of real estate, net	—	(16)
FFO available to common stockholders	18,196	17,160
Add: Non-cash interest related to earn-out liabilities	110	110
Add: Non-recurring one-time items	707(1)	—
Normalized FFO available to common stockholders	19,013	17,270
Less: Non-cash rental income	(772)	(482)
Normalized adjusted FFO (AFFO)	18,241	16,788
Add: Non-cash compensation charges	528	452
Normalized funds available for distribution (FAD)	\$ 18,769	\$ 17,240

(1) Represents the one-time severance and accelerated restricted stock vesting charges related to the retirement of our Senior Vice President, Marketing and Strategic Planning.

Basic FFO available to common stockholders per share	\$ 0.60	\$ 0.57
Diluted FFO available to common stockholders per share	\$ 0.59	\$ 0.56
Diluted FFO available to common stockholders	\$ 19,112	\$ 18,083
Weighted average shares used to calculate diluted FFO per share available to common stockholders	32,609	32,470
Basic normalized FFO available to common stockholders per share	\$ 0.63	\$ 0.57
Diluted normalized FFO available to common stockholders per share	\$ 0.61	\$ 0.56
Diluted normalized FFO available to common stockholders	\$ 19,929	\$ 18,193
Weighted average shares used to calculate diluted normalized FFO per share available to common stockholders	32,609	32,470
Basic normalized AFFO per share	\$ 0.60	\$ 0.56
Diluted normalized AFFO per share	\$ 0.59	\$ 0.55
Diluted normalized AFFO	\$ 19,157	\$ 17,711
Weighted average shares used to calculate diluted normalized AFFO per share	32,609	32,470
Basic normalized FAD per share	\$ 0.62	\$ 0.57
Diluted normalized FAD per share	\$ 0.60	\$ 0.56
Diluted normalized FAD	\$ 19,685	\$ 18,163
Weighted average shares used to calculate diluted normalized FAD per share	32,609	32,470

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

	March 31, 2013 (unaudited)	December 31, 2012 (audited)
ASSETS		
Real estate investments:		
Land	\$ 75,407	\$ 75,407
Buildings and improvements	831,175	824,688
Accumulated depreciation and amortization	(204,646)	(198,548)
Net real estate property	701,936	701,547
Mortgage loans receivable, net of allowance for doubtful accounts: 2013 — \$401; 2012 — \$782	39,741	39,299
Real estate investments, net	741,677	740,846
Other assets:		
Cash and cash equivalents	9,621	7,191
Debt issue costs, net	2,854	3,040
Interest receivable	802	789
Straight-line rent receivable, net of allowance for doubtful accounts: 2013 — \$1,567; 2012 — \$1,557	27,925	26,998
Prepaid expenses and other assets	6,656	7,548
Notes receivable	3,129	3,180
Total assets	\$ 792,664	\$ 789,592

LIABILITIES		
Bank borrowings	\$ 117,500	\$ 115,500
Senior unsecured notes	185,800	185,800
Bonds payable	2,035	2,635
Accrued interest	2,285	3,279
Earn-out liabilities	6,854	6,744
Accrued expenses and other liabilities	11,379	12,526
Total liabilities	325,853	326,484
EQUITY		
Stockholders' equity:		
Preferred stock \$0.01 par value; 15,000 shares authorized; shares issued and outstanding: 2013 — 2,000; 2012 — 2,000	38,500	38,500
Common stock: \$0.01 par value; 60,000 shares authorized; shares issued and outstanding: 2013 — 30,713; 2012 — 30,544	307	305
Capital in excess of par value	516,011	510,236
Cumulative net income	737,009	724,033
Accumulated other comprehensive income	143	152
Cumulative distributions	(825,159)	(810,125)
Total LTC Properties, Inc. stockholders' equity	466,811	463,101
Non-controlling interests	—	7
Total equity	466,811	463,108
Total liabilities and equity	\$ 792,664	\$ 789,592



Supplemental Operating and Financial Data
March 31, 2013
(Unaudited)



Under Development Property – Littleton, CO (60 units)
To be operated by Anthem Memory Care



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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 operated 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
Executive Vice President and Chief Investment Officer

Contact Information

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(805) 981-8655

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(805) 981-8655 phone
(805) 981-8663 fax

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Additional Information

Analyst Coverage

BMO Capital Markets Corp.
Richard Anderson

J.J. B. Hilliard, W.L. Lyons, Inc.
John Roberts

JMP Securities, LLC
Peter Martin

KeyBanc Capital Markets, Inc.
Karin Ford

RBC Capital Markets Corporation
Mike Carroll

Sandler O'Neill + Partners, L.P.
James Milam

Sidoti & Company, LLC
Peter Sicher

Stifel, Nicolaus & Company, Inc.
Dan Bernstein

Wells Fargo Securities, LLC
Todd Stender

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.

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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, 2012 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 25, 28, and 29 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.

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Acquisitions and Loan Originations

(dollar amounts in thousands)

ACQUISITIONS

DATE	# OF PROPERTIES	PROPERTY TYPE	# BEDS/UNITS	LOCATION	OPERATOR	DATE OF CONSTRUCTION	PURCHASE PRICE	ANNUAL GAAP REVENUE	GAAP LEASE YIELD
2/28/11	2	ROC	118 beds/93 units	SC	Prestige Healthcare	1965-2001	\$ 11,450	\$ 1,158	10.1%
3/9/11	4	SNF	524 beds	TX	Meridian Senior Properties	2007-2008	45,000 ⁽¹⁾	4,722	10.5% ⁽¹⁾
8/1/11	1	SNF	140 beds	TX	Senior Care Centers	2008	10,000	1,058	10.5%
10/11/11	1	SNF	196 beds	TX	Fundamental	2005	15,500	1,881	11.0% ⁽²⁾
10/11/11	1	UDP ⁽¹⁾	120 beds	TX	Under Development Property	2012-2013 ⁽¹⁾	844	-	- ⁽³⁾
11/1/11	1	SNF	156 beds	CA	Traditions Management	1990	17,500	1,814	10.3%
Total 2011	10		1,254 beds/93 units				100,294		
3/23/12	1	SNF	144 beds	TX	Senior Care Centers	2002	18,600	\$ 1,988	10.7%
5/14/12	1	UDP ⁽¹⁾	60 units	CO	Under Development Property	2012-2013 ⁽¹⁾	1,882	-	- ⁽³⁾
7/2/12	1	SNF	90 beds	TX	Senior Care Centers	2011	6,500	701	10.7%
7/31/12	2	SNF	288 beds	OH	Carespring Health Care Mgt	2009-2010	54,000	5,426	10.1%
10/23/12	1	UDP ⁽¹⁾	77 units	KS	Under Development Property	2012-2013 ⁽¹⁾	730	-	- ⁽³⁾
12/20/12	5	ALF/MC	266 units	CO/NJ	Juniper Communities, LLC	1999-2002	81,988	6,665	8.1%
12/27/12	1	UDP ⁽¹⁾	81 units	TX	Under Development Property	2013 ⁽¹⁾	1,000	-	- ⁽³⁾
12/28/12	1	UDP ⁽¹⁾	143 beds	KY	Under Development Property	2013 ⁽¹⁾	2,050	-	- ⁽³⁾
Total 2012	13		665 beds/484 units				166,750		
Total	23		1,919 beds/577 units				\$ 267,044		

(1) GAAP yield assumes a total purchase price of \$45,000 which includes \$41,000 of cash paid at closing and \$4,000 earn-out paid in 2011.

(2) This property was added to a master lease. The GAAP yield represents the yield on the master lease and includes \$8,250 construction funding. See page 7 for funding activity.

(3) See page 7 for Development Activity.

LOAN ORIGINATIONS

Date	# of Properties	Property Type	# Units/Beds	Location	Borrower	Operator	Funded to Date	Annual Revenue	Interest Rate
11/15/12	1	SNF	106 beds	WI	Hartford Healthcare	Fundamental	\$ 3,530	\$ 339	9.3%
12/20/12	1	ALF	70 units	PA	Cordia Commons at Meadville	Juniper	5,100	362	7.0%
Total 2012	2		106 beds / 70 units				\$ 8,630	\$ 701	

REAL ESTATE PORTFOLIO

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Development Activity

(dollar amounts in thousands)

Estimated Rent Inception Date	Commitment Year	Project Type	Property	# of Projects	Property Type	Approximate Cash Lease Yield	# Units/Beds	Investment Commitment ⁽¹⁾	1Q13 Funding ⁽¹⁾	Total Funded to Date ⁽¹⁾	Remaining Commitment ⁽¹⁾
3Q13	2012	Development	Littleton, CO	1	MC	9.25%	60 units	\$ 9,817	\$ 1,984	\$ 7,519	\$ 2,298
3Q13	2011	Re-development	Amarillo, TX	1	SNF	9.00%	120 beds	9,094	1,576	5,146	3,948
4Q13	2012	Development	Wichita, KS	1	ALF/MC	9.25%	77 units	10,585	1,489	3,083	7,502
4Q13	2012	Renovation	Roswell, NM	1	SNF	9.00%	-	1,540	659	1,108	432
4Q13	2012	Renovation	Alamogordo, NM	1	SNF	9.00%	-	710	-	319	391
4Q13 ⁽²⁾	2012	Construction Loan	Slinger, WI	1	SNF	9.00% ⁽³⁾	106 beds	10,600	911	3,530	7,070
				<u>6</u>			<u>137 units/226 beds</u>	<u>\$ 42,346</u>	<u>\$ 6,619</u>	<u>\$ 20,705</u>	<u>\$ 21,641</u>
3Q14	2012	Development	Frisco, TX	1	ALF/MC	9.25%	81 units	\$ 5,800	\$ 401	\$ 1,448	\$ 4,352
3Q14	2012	Renovation	Sacramento, CA	1	SNF	9.00%	-	1,700	-	-	1,700
4Q14	2012	Expansion	Arvada, CO	1	ALF/MC	7.75% ⁽³⁾	-	6,600	1	1	6,599
4Q14	2012	Expansion	Fl. Collins, CO	1	ALF/MC	7.75% ⁽³⁾	-	4,700	-	-	4,700
4Q14	2012	Renovation	Fl. Collins, CO	1	ALF/MC	7.75% ⁽³⁾	-	3,300	-	-	3,300
				<u>5</u>			<u>81 units</u>	<u>\$ 22,100</u>	<u>\$ 402</u>	<u>\$ 1,449</u>	<u>\$ 20,651</u>
1Q15	2012	Development	Coldspring, KY	1	SNF	8.50%	143 beds	\$ 23,500	\$ 77	\$ 4,845	\$ 18,655
			Total	<u>12</u>			<u>218 units/369 beds</u>	<u>\$ 87,946</u>	<u>\$ 7,098</u>	<u>\$ 26,999</u>	<u>\$ 60,947</u>

(1) Includes land and excludes capitalized interest on our open commitment.

(2) Interest on the loan is paid monthly in arrears.

(3) Based on Treasury rate and/or Treasury rate plus spread but not less than the rate shown.

REAL ESTATE PORTFOLIO

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Development Activity

Development in Littleton, CO
60-unit memory care property
To be operated by Anthem Memory Care



REAL ESTATE PORTFOLIO

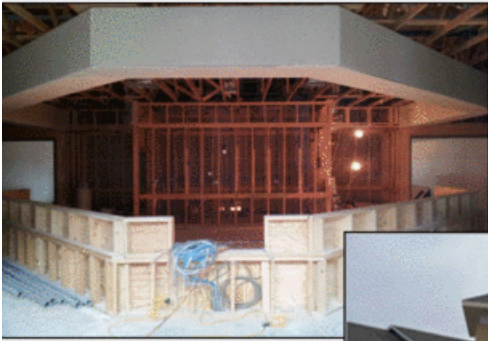
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Development Activity

Re-development in Amarillo, TX
120-bed skilled nursing property

To be operated by an entity within the Fundamental family of companies



REAL ESTATE PORTFOLIO

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Development Activity

Development in Wichita, KS

77-unit assisted living and memory care property
To be operated by Oxford Development Holdings, LLC



Rendering



REAL ESTATE PORTFOLIO

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Development Activity

Expansion Project in Arvada, CO
Operated by Brookdale Senior Living, Inc.



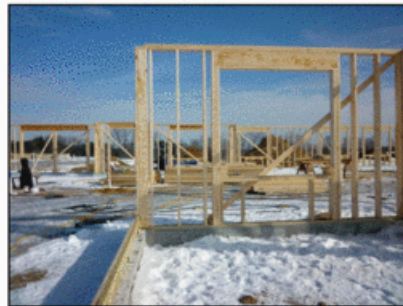
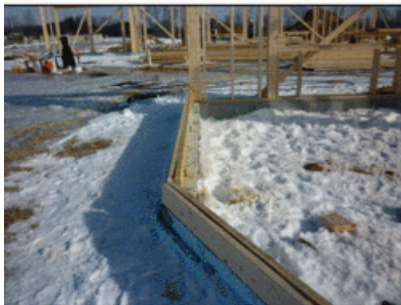
REAL ESTATE PORTFOLIO

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Development Activity

Mortgage and Construction Loan in Slinger, Wisconsin
106-bed skilled nursing property
To be operated by an entity within the Fundamental family of companies



REAL ESTATE PORTFOLIO

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Real Estate Portfolio Summary

(dollar amounts in thousands)

Real Estate Portfolio Snapshot

Trailing Twelve Months Ended
March 31, 2013

Type of Property	Gross Investments	% of Investments	Rental Income	Interest Income	% of Revenues	# of Properties	SNF Beds	ALF Units	Investment per Bed/Unit
Skilled Nursing	\$ 473,107	50.0%	\$ 47,158	\$ 2,768	51.9%	90	10,296	-	\$45.95
Assisted Living	392,119	41.4%	36,140	1,920	39.5%	104	-	4,713	\$83.20
Range of Care	46,707	4.9%	6,366	335	7.0%	9	733	348	\$43.21
Under Development	22,347	2.4%	-	-	-	-	-	-	-
Schools	12,444	1.3%	1,548	-	1.6%	2	-	-	-
Total	\$ 946,724	100.0%	\$ 91,212	\$5,023	100.0%	205	11,029	5,061	



Memory Care Property - Williamstown, NJ (36 units)
Operated by Juniper Communities, LLC



Assisted Living Property - Williamstown, NJ (38 units)
Operated by Juniper Communities, LLC

REAL ESTATE PORTFOLIO

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Real Estate Portfolio Metrics

Same Property Portfolio Statistics ⁽¹⁾

Owned Properties	Occupancy		EBITDAR Coverage		EBITDARM Coverage	
	4Q12	3Q12	4Q12	3Q12	4Q12	3Q12
Assisted Living ⁽²⁾	78.2%	77.8%	1.24	1.29	1.47	1.52
Assisted Living ⁽³⁾	87.0%	86.6%	1.37	1.39	1.62	1.64
Skilled Nursing	77.6%	79.0%	1.84	1.79	2.46	2.48
Range of Care	86.7%	86.8%	1.37	1.42	1.80	1.88

(1) Information is for the trailing twelve months through December 31, 2012 and September 30, 2012 and is from property level operator financial statements which are unaudited and have not been independently verified by us.

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

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

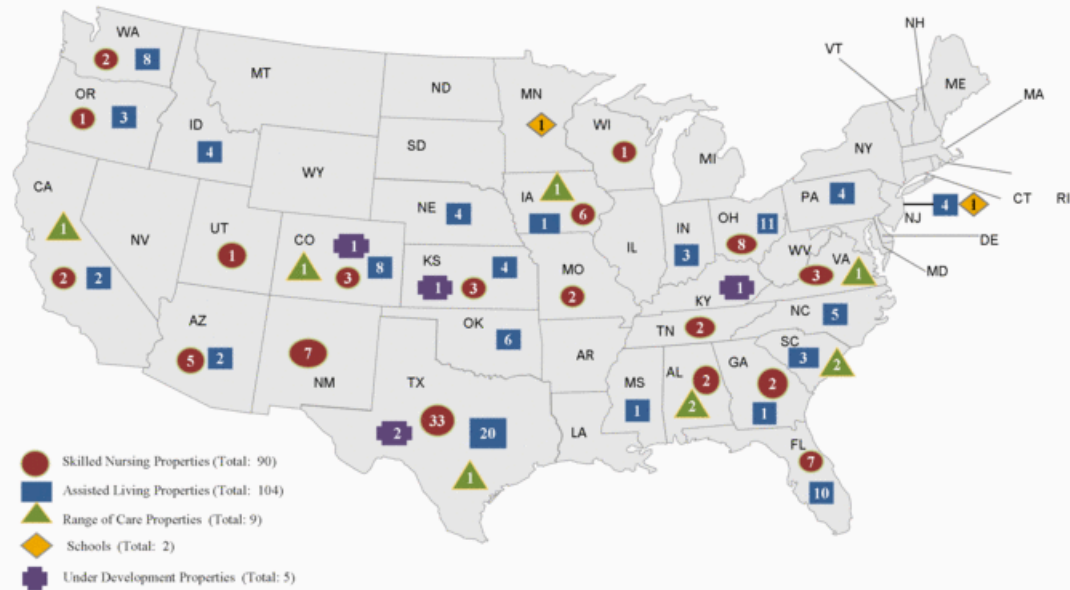
Stabilized Property Portfolio Quality Mix

Owned Properties Payor Source ⁽¹⁾	For the Twelve Months Ended December 31, 2012
Private Pay	60.7%
Medicare	14.1%
Medicaid	25.2%

(1) Quality mix for our skilled nursing portfolio, for the quarter presented, is 28.4% Private Pay, 25.6% Medicare, and 46.0% Medicaid.

REAL ESTATE PORTFOLIO

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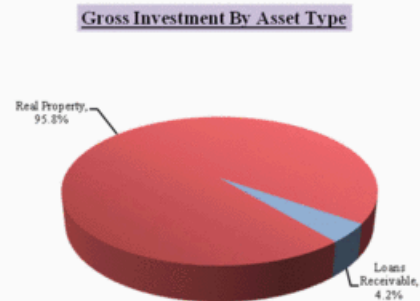
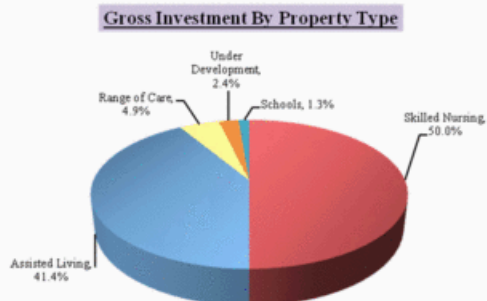


- ❖ LTC owns or holds mortgages on 205 properties and five parcels of land under development in 29 states
- ❖ Approximately 78% of the Company's total gross investment is located in 10 states
- ❖ LTC's largest concentration is in Texas which has approximately 25% of the Company's total gross investment

REAL ESTATE PORTFOLIO

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Property and Asset Type Diversification - Owned and Loan Portfolio



Property Type	# of Properties	Gross Investment	%	Trailing Twelve Months Ended March 31, 2013	
				Revenue ⁽¹⁾	%
Skilled Nursing	90	\$ 473,107	50.0%	\$ 49,926	51.9%
Assisted Living	104	392,119	41.4%	38,060	39.5%
Range of Care	9	46,707	4.9%	6,701	7.0%
Under Development	-	22,347	2.4%	-	-
Schools	2	12,444	1.3%	1,548	1.6%
Total	205	\$ 946,724	100.0%	\$ 96,235	100.0%

Asset Type	Gross Investment	%
Real Property	\$ 906,582	95.8%
Loans Receivable	40,142	4.2%
Total	\$ 946,724	100.0%

(1) Includes Rental income and interest income from mortgage loans

REAL ESTATE PORTFOLIO

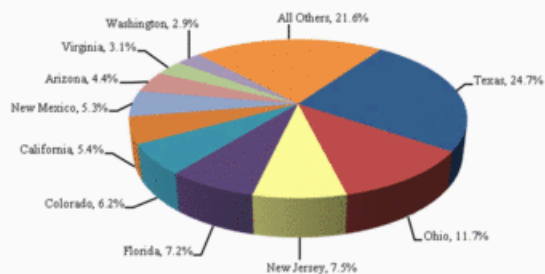
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Real Estate Portfolio Diversification

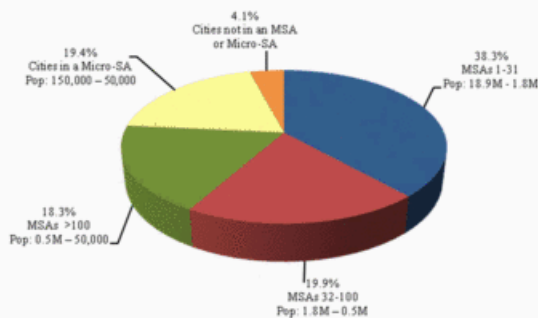
(dollar amounts in thousands)

State Diversification By Property Type - Owned and Loan Portfolio

Gross Investment By State



Gross Owned Portfolio By MSA⁽¹⁾



State ⁽²⁾	# of Props	SNF	%	ALF	%	ROC	%	UDP	%	School	%	Gross Investment	%
Texas	54	\$ 186,427	39.4%	\$ 37,784	9.6%	\$ 2,994	6.4%	\$ 6,617	29.8%	\$ -	-	\$ 233,822	24.7%
Ohio	19	66,157	14.0%	44,647	11.4%	-	-	-	-	-	-	110,804	11.7%
New Jersey	5	-	-	61,397	15.7%	-	-	-	-	9,270	74.5%	70,667	7.5%
Florida	17	26,711	5.6%	41,062	10.5%	-	-	-	-	-	-	67,773	7.2%
Colorado	12	7,407	1.6%	41,918	10.7%	2,007	4.3%	7,612	34.3%	-	-	58,944	6.2%
California	5	20,649	4.4%	28,071	7.2%	2,800	6.0%	-	-	-	-	51,520	5.4%
New Mexico	7	50,303	10.6%	-	-	-	-	-	-	-	-	50,303	5.3%
Arizona	7	36,092	7.6%	5,120	1.3%	-	-	-	-	-	-	41,212	4.4%
Virginia	4	15,713	3.3%	-	-	13,339	28.6%	-	-	-	-	29,052	3.1%
Washington	10	8,705	1.8%	19,080	4.9%	-	-	-	-	-	-	27,785	2.9%
All Others	65	54,941	11.7%	113,041	28.7%	25,567	54.7%	7,941	35.9%	3,174	25.5%	204,664	21.6%
Total	205	\$ 473,105	100.0%	\$ 392,120	100.0%	\$ 46,707	100.0%	\$ 22,170	100.0%	\$ 12,444	100.0%	\$ 946,546	100.0%

(1) Population is based on 2010 Census.

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

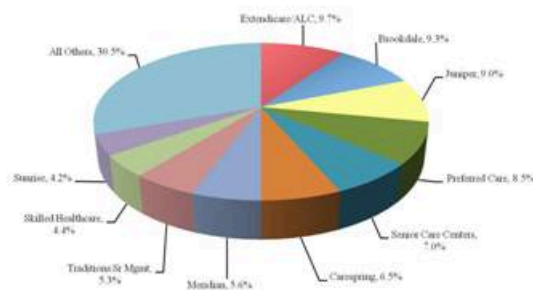
REAL ESTATE PORTFOLIO

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Real Estate Portfolio Diversification

Operator Diversification - Owned Portfolio

Gross Investment By Operator



Operator	# of Properties	Gross Investment	%	Annualized GAAP Rent	%
Extensicare Inc. and Assisted Living Concepts, Inc.	37	\$ 88,034	9.7%	\$ 10,963	11.4%
Brookdale Senior Living Communities, Inc.	35	84,211	9.3%	10,948	11.4%
Juniper Communities, LLC	5	81,988	9.0%	6,663	6.9%
Preferred Care	25	77,206	8.5%	10,588	11.0%
Senior Care Centers, LLC	5	63,698	7.0%	6,748	7.0%
Carespring Health Care Mgt, LLC	2	58,893	6.5%	5,431	5.7%
Meridian Senior Properties Fund II, LP	4	50,841	5.6%	4,742	4.9%
Traditions Senior Management, Inc.	4	48,500	5.3%	5,243	5.5%
Skilled Healthcare Group Subsidiaries	5	40,270	4.4%	4,501	4.7%
Sunrise Senior Living	6	37,659	4.2%	1,912	2.0%
All Others	51	275,282	30.5%	28,261	29.5%
Total	179	\$ 906,582	100.0%	\$ 96,000	100.0%

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Top Ten Operators – Owned Portfolio

Extendicare Inc. and Assisted Living Concepts, Inc. operate 37 of our assisted living properties in 10 states with a gross investment balance of \$88.0 million as of March 31, 2013. Extendicare Inc. (TSX: EXE) operates 246 senior care centers in North America with the ability to serve approximately 26,800 residents. EXE 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. Assisted Living Concepts, Inc. (NYSE: ALC) and its subsidiaries operate 211 residences which include licensed assisted living and independent living residences with capacity for 9,348 residents in 20 states.

Brookdale Senior Living, Inc. (NYSE: BKD) operates 650 independent living, assisted living, and memory care communities and continuing care retirement centers, with the ability to serve approximately 67,000 residents. As of March 31, 2013, the LTC portfolio consisted of 35 assisted living properties in eight states with a gross investment balance of \$84.2 million.

Juniper Communities, LLC (Privately held) operates 18 facilities comprised of skilled nursing, assisted living, and memory care facilities in four states. As of March 31, 2013, the LTC portfolio consisted of five assisted living and memory care properties in two states with a gross investment balance of \$82.0 million.

Preferred Care, Inc. (Privately held) operates 101 facilities comprised of skilled nursing, assisted living, and independent living facilities, as well as five specialty care facilities, in 11 states. As of March 31, 2013, the LTC portfolio consisted of 23 skilled nursing and two range of care properties in six states with a gross investment balance of \$77.2 million. They also operate one skilled nursing facility under a sub-lease with another lessee in our portfolio which is not included in the Preferred Care rental revenue.

Senior Care Centers, LLC (Privately held) provides skilled nursing care, memory care, assisted living, and independent living services in 35 facilities exclusively in Texas. As of March 31, 2013, the LTC portfolio consisted of five skilled nursing properties in Texas with a gross investment balance of \$63.7 million. They also operate four skilled nursing properties under a sub-lease with Meridian Senior Properties Fund II, LP which is not included in the Senior Care Centers, LLC rental revenue.

Carespring Health Care Mgmt, LLC (Privately held) provides skilled nursing, assisted living, and independent living services, and other rehabilitative and healthcare services at 10 facilities in two states. As of March 31, 2013, the LTC portfolio consisted of a parcel of land in Kentucky and two skilled nursing properties in Ohio with a gross investment balance of \$58.9 million.

Meridian Senior Properties Fund II, LP and other affiliated entities (Privately held) acquire, develop and operate independent living, assisted living, memory care and skilled nursing facilities and currently owns or leases 10 skilled nursing facilities, one assisted living facility, and one memory care facility, all located in Texas. As of March 31, 2013, the LTC portfolio consisted of four skilled nursing properties in Texas with a gross investment balance of \$50.8 million.

Traditions Senior Management, Inc. and other affiliated entities (Privately held) operate 22 facilities consisting of independent living, assisted living, and skilled nursing facilities in eight states. As of March 31, 2013, the LTC portfolio consisted of three skilled nursing properties and one range of care property operated by Traditions and another affiliate in three states with a gross investment balance of \$48.5 million. Traditions also operates two skilled nursing properties under a sub-lease with Preferred Care, Inc. which is not included in the Traditions rental revenue.

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 74 skilled nursing and 22 assisted living facilities in 8 states. As of March 31, 2013, the LTC portfolio consisted of 5 skilled nursing properties in New Mexico with a gross investment balance of \$40.3 million.

Sunrise Senior Living, LLC (Privately Held), through its subsidiaries, operates 292 communities in the United States, Canada and the United Kingdom. Sunrise offers a full range of personalized senior living services, including independent living, assisted living, memory care, as well as nursing and rehabilitative services. As of March 31, 2013, the LTC portfolio consisted of six assisted living and memory care properties in two states with a gross investment balance of \$37.7 million.

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Extendicare Inc. (TSX: EXE) and Assisted Living Concepts, Inc. (NYSE: ALC)

Co-lessee	Extendicare Inc. and Assisted Living Concepts, Inc.
Total # of Properties	37 properties
Total # of Units	1,430 units
Lease Expiration	December 31, 2014
Renewal Options	Three (3) periods of ten (10) years each
EBITDAR Coverage ⁽¹⁾	1.0x
% of Portfolio Rent	11.4% of Annualized GAAP Rent



Master Lease I		
States	# of Properties	# of Units
Idaho	4	148
Iowa	1	35
New Jersey	1	39
Ohio	5	191
Texas	7	278
Total	18	691

Master Lease II		
States	# of Properties	# of Units
Arizona	2	76
Indiana	2	78
Nebraska	4	158
Oregon	3	119
Washington	8	308
Total	19	739

Photos of our properties leased to ALC/Extendicare are available on the Company's website at www.LTCProperties.com in the "ALC/EXE Properties" subsection under the "Property Photos" section of the "Properties" tab.

(1) Twelve Months Ended December 31, 2012

REAL ESTATE PORTFOLIO

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Market Capitalization

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

At March 31, 2013

Capitalization

Debt

Bank borrowings - LIBOR + 1.50% ⁽¹⁾	\$	117,500	
Senior unsecured notes - weighted average rate 5.17% ⁽²⁾		185,800	
Bonds payable - weighted average rate 2.91% ⁽³⁾		2,035	
Total debt		305,335	19%

Equity

	No. of shares	Closing Price		
Preferred stock - Series C ⁽⁴⁾			38,500	2%
Common stock ⁽⁵⁾	30,712,510	\$ 40.73 ⁽⁶⁾	1,250,921	79%
Non-controlling interest			-	-
Total equity			1,289,421	81%

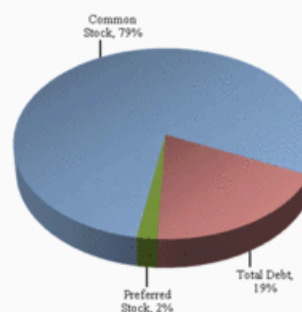
Total Market Value

\$ 1,594,756

Debt to Total Market Value 19.1%

Debt & Preferred to Total Market Value 21.6%

Capitalization



- (1) Based on our total indebtedness to total asset value ratio at March 31, 2013, the amended facility provides for interest annually at LIBOR plus 150 bps.
 (2) Includes amortization of debt issue cost.
 (3) Includes letter of credit fees.
 (4) Non-traded shares. Two million shares outstanding with a face rate of 8.5% and a liquidation value of \$19.25 per share, convertible into common stock on a one-for-one basis. Our Series C preferred stock is not redeemable by us.
 (5) Traded on NYSE.
 (6) Closing price of our common stock as reported by the NYSE on March 28, 2013, the last trading day of first quarter 2013.

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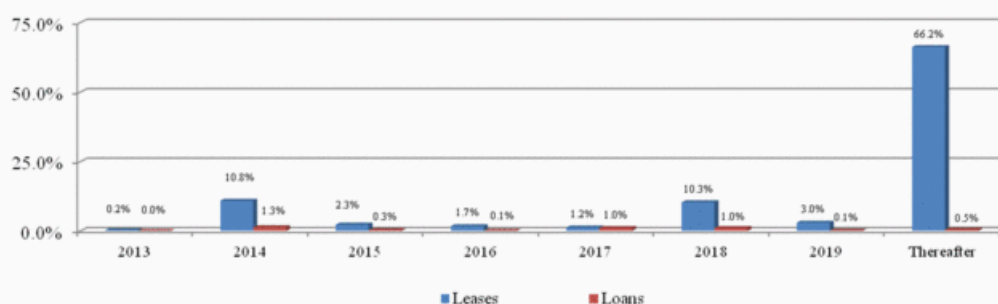


Lease and Mortgage Loan Receivable Maturity

(dollar amounts in thousands)

Investment Portfolio Maturity Schedule

(as a % of total gross owned investment and mortgage loans outstanding)



Rental Revenue and Interest Income Maturity

Year	Annualized GAAP Rental Income	% of Total	Interest Income ⁽¹⁾	% of Total	Total Rental & Interest Income	% of Total
2013	\$ 453	0.5%	\$ -	-	\$ 453	0.5%
2014	12,951	13.5%	1,217	35.7%	14,168	14.3%
2015	2,539	2.6%	298	8.8%	2,837	2.9%
2016	2,129	2.2%	26	0.8%	2,155	2.2%
2017	1,638	1.7%	600	17.6%	2,238	2.3%
2018	8,676	9.0%	803	23.6%	9,479	9.5%
2019	1,596	1.7%	123	3.6%	1,719	1.7%
Thereafter	66,018	68.8%	338	9.9%	66,356	66.6%
Total	\$ 96,000	100.0%	\$ 3,405	100.0%	\$ 99,405	100.0%

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

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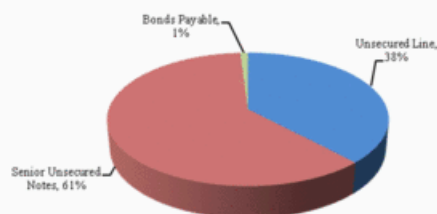


Debt Maturity

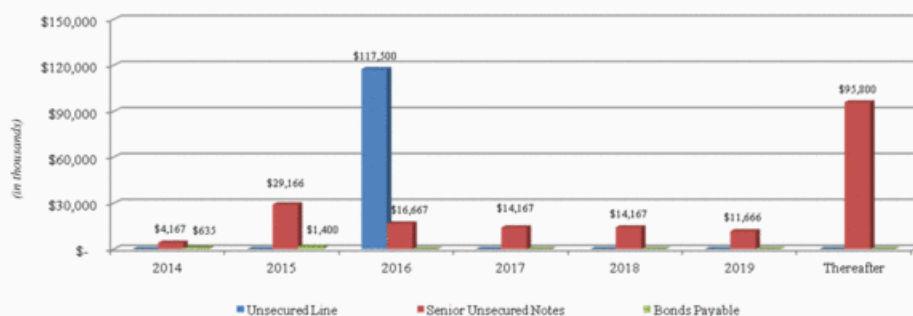
(in thousands)

Year	Unsecured Line of Credit	Senior Unsecured Notes ⁽¹⁾	Bonds Payable ⁽¹⁾	Total
2014	\$ -	\$ 4,167	\$ 635	\$ 4,802
2015	-	29,166	1,400	30,566
2016	117,500	16,667	-	134,167
2017	-	14,167	-	14,167
2018	-	14,167	-	14,167
2019	-	11,666	-	11,666
Thereafter	-	95,800	-	95,800
Total	\$ 117,500	\$ 185,800	\$ 2,035	\$ 305,335

Debt Structure



(1) Reflects scheduled principal payments.



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Financial Data Summary

(dollar amounts in thousands)

Balance Sheet and Coverage Ratios

	Trailing twelve months ended			
	12/31/10	12/31/11	12/31/12	3/31/13
Net real estate assets	\$515,983	\$599,916	\$740,846	\$741,677
Total assets	561,264	647,097	789,592	792,664
Total debt	91,430	159,200	303,935	305,335
Total liabilities	103,742	178,387	326,484	325,853
Preferred stock	126,913	38,500	38,500	38,500
Total equity	457,522	468,710	463,108	466,811
Debt to gross asset value ratio ⁽¹⁾	12.7%	19.3%	30.8%	30.6%
Debt & preferred stock to gross asset value ratio ⁽¹⁾	30.3%	24.0%	34.7%	34.5%
Debt to total market value ratio	9.5%	14.0%	21.4%	19.1%
Debt & preferred stock to total market value ratio	23.0%	17.4%	24.2%	21.6%
Debt to normalized EBITDA	1.4x	2.1x	3.7x	3.6x
Normalized interest coverage ratio	24.5x	11.7x	8.4x	7.8x
Normalized fixed charge coverage ratio	4.0x	6.3x	6.3x	6.0x

(1) Gross asset value represents undepreciated book value.

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Financial Data Summary

(dollar amounts in thousands)

Reconciliation of Normalized EBITDA and Fixed Charges

	Trailing twelve months ended			
	12/31/10	12/31/11	12/31/12	3/31/13
Net income	\$ 46,053	\$ 49,443	\$ 51,327	\$ 51,371
Less: Gain on sale	(310)	-	(16)	-
Add: Interest expense	2,653	6,434	9,932	11,032
Add: Depreciation and amortization	16,109	19,623	22,153	23,122
Adjusted EBITDA	64,505	75,500	83,396	85,525
Add back/(Deduct):				
Non-recurring one-time items	467	-	(347)	360
Normalized EBITDA	\$ 64,972	\$ 75,500	\$ 83,049	\$ 85,885
Interest expense	\$ 2,653	\$ 6,434	\$ 9,932	\$ 11,032
Preferred stock dividend	13,662	5,512	3,273	3,273
Fixed Charges	\$ 16,315	\$ 11,946	\$ 13,205	\$ 14,305

Non-Cash Rental Revenue Components

	1Q13	2Q13 ⁽¹⁾	3Q13 ⁽¹⁾	4Q13 ⁽¹⁾	1Q14 ⁽¹⁾
Straight-line rent	\$ 937	\$ 863	\$ 772	\$ 710	\$ 476
Amort of lease inducement	(165)	(165)	(165)	(165)	(165)
Net	\$ 772	\$ 698	\$ 607	\$ 545	\$ 311

(1) Projections based on current in-place leases assuming no modification or replacement of existing leases and no new leased investments are added to our portfolio.

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Consolidated Statements of Income

(dollar amounts in thousands, except per share amounts, audited)

	Three Months Ended March 31,	
	2013	2012
Revenues		
Rental income	\$ 24,511	\$ 20,872
Interest from mortgage loans	1,059	1,532
Interest and other income	93	236
Total revenues	25,663	22,640
Expenses		
Interest expense	3,133	2,033
Depreciation and amortization	6,136	5,167
General and administrative expenses	3,418	2,524
Total expenses	12,687	9,724
Income from continuing operations	12,976	12,916
Discontinued operations:		
Gain on sale of assets, net	-	16
Net loss from discontinued operations	-	16
Net income	12,976	12,932
Income allocated to non-controlling interests	-	(11)
Net income attributable to LTC Properties, Inc.	12,976	12,921
Income allocated to participating securities	(98)	(94)
Income allocated to preferred stockholders	(818)	(818)
Net income available to common stockholders	\$ 12,060	\$ 12,009
Basic earnings per common share:	\$0.40	\$0.40
Diluted earnings per common share:	\$0.40	\$0.40
Weighted average shares used to calculate earnings per common share		
Basic	30,365	30,189
Diluted	30,399	30,234

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Consolidated Balance Sheets

(amounts in thousands, audited)

	March 31, 2013	December 31, 2012		March 31, 2013	December 31, 2011
ASSETS			LIABILITIES		
Real estate investments:			Bank borrowings	\$ 117,500	\$ 115,500
Land	\$ 75,407	\$ 75,407	Senior unsecured notes	185,800	185,800
Buildings and improvements	831,175	824,688	Bonds payable	2,035	2,635
Accumulated depreciation and amortization	(204,646)	(198,548)	Accrued interest	2,285	3,279
Net operating real estate property	701,936	701,547	Earn-out liabilities	6,854	6,744
			Accrued expenses and other liabilities	11,379	12,526
Mortgage loans receivable, net of allowance for doubtful accounts: 2013 - \$401; 2012 - \$782	39,741	39,299	Total liabilities	325,853	326,484
Real estate investments, net	741,677	740,846			
			EQUITY		
Other assets:			Preferred stock ⁽¹⁾	38,500	38,500
Cash and cash equivalents	9,621	7,191	Common stock ⁽²⁾	307	305
Debt issue costs, net	2,854	3,040	Capital in excess of par value	516,011	510,236
Interest receivable	802	789	Cumulative net income	737,009	724,033
Straight-line rent receivable, net of allowance for doubtful accounts: 2013 - \$1,567; 2012 - \$1,557	27,925	26,998	Accumulated other comprehensive income	143	152
Prepaid expenses and other assets	6,656	7,548	Cumulative distributions	(825,159)	(810,125)
Notes receivable	3,129	3,180	Total LTC stockholders' equity	466,811	463,101
Total assets	\$ 792,664	\$ 789,592	Non-controlling interests	-	7
			Total equity	466,811	463,108
			Total liabilities and equity	\$ 792,664	\$ 789,592

(1) Preferred stock \$0.01 par value; 15,000 shares authorized; shares issued and outstanding: 2013 - 2,000; 2012 - 2,000
(2) Common stock \$0.01 par value; 60,000 shares authorized; shares issued and outstanding: 2013 - 30,713; 2012 - 30,544

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Funds from Operations

(dollar amounts in thousands, except per share amounts)

Normalized FFO, AFFO, and FAD Reconciliation

	Three Months Ended March 31,	
	2013	2012
Net income available to common stockholders	\$ 12,060	\$ 12,009
Add: Depreciation and amortization	6,136	5,167
Less: Gain on sale of real estate, net	-	(16)
FFO available to common stockholders	18,196	17,160
Add: Non-cash interest related to earn-out liabilities	110	110
Add: Non-recurring one time items	707 ⁽¹⁾	-
Normalized FFO available to common stockholders	19,013	17,270
Less: Non-cash rental income	(772)	(482)
Normalized adjusted FFO (AFFO)	18,241	16,788
Add: Non-cash compensation charges	528	452
Normalized funds available for distribution (FAD)	\$ 18,769	\$ 17,240
Diluted FFO available to common stockholders per share	\$0.59	\$0.56
Diluted normalized FFO available to common stockholders per share	\$0.61	\$0.56
Diluted normalized AFFO per share	\$0.59	\$0.55
Diluted normalized FAD per share	\$0.60	\$0.56

(1) Represents the one-time severance and accelerated restricted stock vesting charges related to the retirement of our Senior Vice President, Marketing and Strategic Planning.

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Funds from Operations

(dollar amounts in thousands, except per share amounts)

Normalized FFO Per Share Reconciliation

	Three Months Ended March 31,	
	2013	2012
Normalized FFO available to common stockholders	\$ 19,013	\$ 17,270
Effect of dilutive securities:		
Participating securities	98	94
Convertible preferred securities	818	818
Convertible non-controlling interests	-	11
Normalized diluted FFO available to common stockholders	\$ 19,929	\$ 18,193
Shares for basic FFO per share	30,365	30,189
Effect of dilutive securities:		
Stock options	34	45
Participating securities	210	210
Convertible preferred securities	2,000	2,000
Convertible non-controlling interests	-	26
Shares for diluted FFO per share	32,609	32,470
 Basic normalized FFO per share	 \$0.63	 \$0.57
Diluted normalized FFO per share	\$0.61	\$0.56

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Glossary

Adjusted Funds From Operations ("AFFO"): FFO excluding the effects of non-cash rental income.

Assisted Living Properties ("ALF"): The ALF portfolio consists of assisted living, independent living, and/or memory care properties. (See *Independent Living and Memory Care*) Assisted living properties are senior housing properties serving elderly persons who require assistance with activities of daily living, but do not require the constant supervision skilled nursing properties provide. Services are usually available 24 hours a day and include personal supervision and assistance with eating, bathing, grooming and administering medication. The facilities provide a combination of housing, supportive services, personalized assistance and health care designed to respond to individual needs.

Contractual Lease Rent: Rental revenue as defined by the lease agreement between us and the operator for the lease year.

Core Based Statistical Area ("CBSA"): Based on the U.S. Census Bureau, CBSA is a collective term for both metro and micro areas. Each metro or micro area consists of one or more counties and includes the counties containing the core urban area, as well as any adjacent counties that have a high degree of social and economic integration (as measured by commuting to work) with the urban core.

EBITDA: Earnings before interest, taxes, depreciation and amortization.

EBITDAR Coverage: From the operator financial statements, the trailing twelve month's earnings before interest, taxes, depreciation, amortization, and rent divided by the operator's contractual lease rent. Management fees are imputed at 5% of revenues.

EBITDARM Coverage: From the operator financial statements, the trailing twelve month's earnings before interest, taxes, depreciation, amortization, rent and management fees divided by the operator's contractual lease rent.

Funds Available for Distribution ("FAD"): FFO excluding the effects of non-cash rental income and non-cash compensation charges.

Funds From Operations ("FFO"): As defined by the National Association of Real Estate Investment Trusts ("NAREIT"), net income available to common stockholders (computed in accordance with U.S. GAAP) excluding gains or losses on the sale of real estate and impairment write-downs of depreciable real estate plus real estate depreciation and amortization, and after adjustments for unconsolidated partnerships and joint ventures.

GAAP Lease Yield: GAAP rent divided by the purchase price.

GAAP Rent: Total rent we will receive as a fixed amount over the life of the lease and recognized evenly over that life. GAAP rent recorded in the early years of a lease is higher than the cash rent received and during the later years of the lease, the cash rent received is higher than GAAP rent recognized. GAAP rent is commonly referred to as straight-line rental income.

Gross Asset Value: Represents undepreciated book value.

Gross Investment: Original price paid for an asset plus capital improvements funded by LTC Properties, Inc. ("LTC"), without any depreciation deductions. Gross Investment is commonly referred to as undepreciated book value.

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Independent Living Properties (“ILF”): Senior housing properties offering a sense of community and numerous levels of service, such as laundry, housekeeping, dining options/meal plans, exercise and wellness programs, transportation, social, cultural and recreational activities, on-site security and emergency response programs. Many offer on-site conveniences like beauty/barber shops, fitness facilities, game rooms, libraries and activity centers. ILFs are also known as retirement communities or senior apartments.

Interest Income: Represents interest income from mortgage loans.

Licensed Beds/Units: The number of beds and/or units that an operator is authorized to operate at senior housing and long-term care properties. Licensed beds and/or units may differ from the number of beds and/or units in service at any given time.

Memory Care Properties (“MC”): Senior housing properties offering specialized options for seniors with Alzheimer’s disease and other forms of dementia. These facilities offer dedicated care and specialized programming for various conditions relating to memory loss in a secured environment that is typically smaller in scale and more residential in nature than traditional assisted living facilities. These facilities have staff available 24 hours a day to respond to the unique needs of their residents.

Metropolitan Statistical Areas (“MSA”): Based on the U.S. Census Bureau, MSA is a geographic entity defined by the Office of Management and Budget (OMB) for use by Federal statistical agencies in collecting, tabulating, and publishing Federal statistics. A metro area contains a core urban area of 50,000 or more population. (See *Core Based Statistical Area*)

Micropolitan Statistical Areas (“Micro-SA”): Based on the U.S. Census Bureau, Micro-SA is a geographic entity defined by the Office of Management and Budget (OMB) for use by Federal statistical agencies in collecting, tabulating, and publishing Federal statistics. A micro area contains an urban core of at least 10,000 (but less than 50,000) population. (See *Core Based Statistical Area*)

Net Real Estate Assets: Gross investment less accumulated depreciation. Net Real Estate Asset is commonly referred to as Net Book Value (“NBV”).

Non-cash Rental Income: Straight-line rental income and amortization of lease inducement.

Non-cash Compensation Charges: Vesting expense relating to stock options and restricted stock.

Normalized AFFO: FFO adjusted for non-recurring, infrequent or unusual items and excludes the non-cash rental income.

Normalized FAD: FFO adjusted for non-recurring, infrequent or unusual items and excludes the non-cash rental income and non-cash compensation charges.

Normalized FFO: FFO adjusted for non-recurring, infrequent or unusual items.

Occupancy: The weighted average percentage of all beds and/or units that are occupied at a given time. The calculation uses the trailing twelve months and is based on licensed beds and/or units which may differ from the number of beds and/or units in service at any given time.

Operator Financial Statements: Property level operator financial statements are unaudited and have not been independently verified by us.

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Private Pay: Private pay includes private insurance, HMO, VA, and other payors.

Purchase Price: Represents the fair value price of an asset that is exchanged in an orderly transaction between market participants at the measurement date. An orderly transaction is a transaction that assumes exposure to the market for a period prior to the measurement date to allow for marketing activities that are usual and customary for transactions involving such assets; it is not a forced transaction (for example, a forced liquidation or distress sale).

Quality Mix: LTC revenue by operator underlying payor source for the quarter presented. LTC is not a Medicaid or a Medicare recipient. Statistics represent LTC’s rental revenues times operators’ underlying payor source revenue percentage. Underlying payor source revenue percentage is calculated from property level operator financial statements which are unaudited and have not been independently verified by us.

Range of Care (“ROC”): Range of care properties consist of properties providing skilled nursing and any combination of assisted living, independent living and/or memory care services.

Rental Income: Represents GAAP rent net of amortized lease inducement cost from continuing and discontinued operations.

Same Property Portfolio (“SPP”): Same property statistics allow management to evaluate the performance of LTC’s leased property portfolio under a consistent population, which eliminates the changes in the composition of our portfolio of properties. We identify our same property portfolio as stabilized properties that are, and remained, in operations for the duration of the quarter-over quarter comparison periods presented. Accordingly, it takes a stabilized property a minimum of 12 months in operations to be included in our same property portfolio.

Schools: An institution for educating students which include private and charter schools. Private schools are not administered by local, state or national governments; therefore, funded in whole or part by student tuition rather than government funded. Charter schools provide an alternative to the traditional public school. Charter schools are generally autonomous entities authorized by the state or locality to conduct operations independent from the surrounding public school district. Laws vary by state, but generally charters are granted by state boards of education either directly or in conjunction with local school districts or public universities. Operators are granted charters to establish and operate schools based on the goals and objectives set forth in the charter. Upon receipt of a charter, schools receive an annuity from the state for each student enrolled.

Skilled Nursing Properties (“SNF”): Senior housing properties providing restorative, rehabilitative and nursing care for people not requiring the more extensive and sophisticated treatment available at acute care hospitals. Many SNFs provide ancillary services that include occupational, speech, physical, respiratory and IV therapies, as well as sub-acute care services which are paid either by the patient, the patient’s family, private health insurance, or through the federal Medicare or state Medicaid programs.

Stabilized: Newly acquired operating assets are generally considered stabilized at the earlier of lease-up (typically when occupancy reaches 80% at a SNF or 90% at an ALF) or 12 months from the acquisition date. Newly completed developments, including redevelopments, major renovations, and property additions, are considered stabilized at the earlier of lease-up or 24 months from the date the property is placed in service.

Under Development Properties (“UDP”): Development projects to construct senior housing properties.

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